Information Memorandum

Dated August 16, 2017

ADITYA BIRLA CAPITAL LIMITED

Aditya Birla Capital Limited was originally incorporated on October 15, 2007 under the Companies Act, 1956 as Aditya Birla Financial Services Private Limited with the Registrar of Companies, Maharashtra at Mumbai. The Company was converted to a public limited company and the name of the Company was changed to Aditya Birla Financial Services Limited and a fresh certificate of incorporation was issued on December 4, 2014 by Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**"). Further, the name of the Company was changed to Aditya Birla Capital Limited and a fresh certificate of incorporation was issued by the RoC on June 21, 2017. For details in relation to the change in name and registered office of our Company, please see the section titled "History and Certain Corporate Matters" on page 122.

Registered Office: Indian Rayon Compound, Veraval - 362266, Gujarat, India
Tel: +91 2876 243257; **Fax:** +91 2876 243220
Corporate Office: One Indiabulls Centre, Tower 1, 18th Floor, Jupiter Mill Compound,
841 S.B Marg, Elphinstone Road, Mumbai – 400013, Maharashtra, India
Tel: +91 22 4356 7000; **Fax:** +91 22 +91 22 4356 7111
Email: abc.secretarial@adityabirla.com ; **Website:** www.adityabirlacapital.com
Contact Person: Mr. Sailesh Kumar Daga, Company Secretary and Compliance Officer
CIN: U67120GJ2007PLC058890

INFORMATION MEMORANDUM

FOR LISTING OF 2,200,906,951 EQUITY SHARES OF ₹10 EACH
NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

OUR PROMOTER: GRASIM INDUSTRIES LIMITED

GENERAL RISK

Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity shares of our Company unless they can afford to take the risk of losing part or all of their investment. Investors are advised to read the Risk Factors carefully before taking a decision to invest in the shares of our Company. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to our Company, which is material in the context of the issue of shares pursuant to the Scheme, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of the Company are proposed to be listed on the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). For the purpose of this listing, the Designated Stock Exchange is BSE.

The Company has submitted this Information Memorandum with BSE and NSE and the same has been made available on the Company's website, www.adityabirlacapital.com. The Information Memorandum would also be made available on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

REGISTRAR AND SHARE TRANSFER AGENT

	Karvy Computershare Private Limited Karvy Selenium Tower B Plot 31 and 32 Gachibowli Financial District Hyderabad 500 008 SEBI Registration No. INR000000221	Tel: (91 40) 6716 1505 Fax: (91 40) 2331 1968 Email: adityacapital@karvy.com Investor Grievance e-mail: adityacapital@karvy.com Website: www.karvycomputershare.com Contact Person: Mr. M R V Subrahmanyam

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SECTION I: GENERAL

DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

In this Information Memorandum, unless the context otherwise requires, the terms defined and abbreviations expanded herein below shall have the same meaning as stated in this section. References to any legislation, act or regulation shall be to such legislation, act or regulation, as amended from time to time.

General Terms

Term	Description
"our Company", "the Company", "ABCL", "Resulting Company" or "Resulting Entity"	Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited), a company incorporated under the Companies Act, 1956 and having its Registered Office at Indian Rayon Compound, Veraval, Gujarat – 362266, India.
"We", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries and joint ventures

Company Related Terms

Term	Description
ABARC	Aditya Birla ARC Limited
ABCAP Trustee	ABCAP Trustee Company Private Limited
ABCBL	Aditya Birla Commodities Broking Limited
ABFL	Aditya Birla Finance Limited
ABFSSL	Aditya Birla Financial Shared Services Limited
ABG	Aditya Birla Group
ABHFL	Aditya Birla Housing Finance Limited
ABHICL	Aditya Birla Health Insurance Co. Limited
ABIBL	Aditya Birla Insurance Brokers Limited
ABIPBL	Aditya Birla Idea Payments Bank Limited
ABMIASL	Aditya Birla Money Insurance Advisory Services Limited
ABML	Aditya Birla Money Limited
ABMML	Aditya Birla Money Mart Limited
ABMUL	Aditya Birla MyUniverse Limited (formerly known as Aditya Birla Customer Services Limited)
ABNL/ Transferor Company	Aditya Birla Nuvo Limited
ABPE	Aditya Birla PE Advisors Private Limited (formerly known as Aditya Birla Capital Advisors Private Limited)
ABSLAMC	Aditya Birla Sun Life AMC Limited
ABSLAMC Dubai	Aditya Birla Sun Life Asset Management Company Limited Dubai
ABSLAMC (Mauritius)	Aditya Birla Sun Life Asset Management Company (Mauritius) Limited
ABSLAMC Singapore	Aditya Birla Sun Life Asset Management Company Pte Ltd (Singapore)
ABSLI	Aditya Birla Sun Life Insurance Company Limited (formerly Birla Sun Life Insurance Company Limited)
ABSLMF	Aditya Birla Sun Life Mutual Fund
ABSLPML	Aditya Birla Sun Life Pension Management Limited (formerly Birla Sun Life Pension Management Limited)
ABSL Trustee	Aditya Birla Sun Life Trustee Private Limited

Term	Description
ABTCPL	Aditya Birla Trustee Company Private Limited
ABWPL	Aditya Birla Wellness Private Limited
Amalgamation	The amalgamation of Aditya Birla Nuvo Limited with Grasim Industries Limited pursuant to the Scheme of Arrangement with effect from Effective Date 1.
Appointed Date for Demerger / Effective Date 2	Effective Date 2, as defined in the Scheme of Arrangement, is the date when the Demerger of the Demerged Undertaking from the Demerged Company and subsequent transfer to the Resulting Company comes into effect, in accordance with the terms of the Scheme of Arrangement. The board of directors of Grasim and ABCL have fixed the Effective Date 2 as July 4, 2017.
Articles / Articles of Association / AOA	The Articles of Association of our Company, as amended
Auditor	The Statutory Auditors of our Company, namely, M/s. Deloitte Haskins & Sells LLP
BGFL	Birla Global Finance Limited
BG Holdings	Birla Group Holdings Private Limited
Board / Board of Directors	Board of Directors of the Company
Capital / Share capital	Share capital of the Company
Director(s)	Director(s) of the Company, unless otherwise specified
Demerged Company / Transferee Company	Grasim Industries Limited, a listed public company, incorporated on August 25, 1947 under the provisions of Gwalior Companies Act (1 Samvat 1963) and now deemed to be incorporated under the Companies Act, 2013 and having its registered office at Birlagram, Nagda, District Ujjain, Madhya Pradesh - 456 331.
Demerged Undertaking	The financial services business engaged in the activity of fund based lending, making, holding and nurturing investments in financial services sector together with all its undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated, of the Demerged Company, in relation to and pertaining to the financial services business, as on the Effective Date 2.
Demerger	The demerger of the Demerged Undertaking post Amalgamation and subsequent transfer to Aditya Birla Capital Limited pursuant to the Scheme of Arrangement with effect from Effective Date 2.
Designated Stock Exchange	BSE Limited
Draft Information Memorandum	The Draft Information Memorandum dated June 27, 2017 filed with the Stock Exchanges and referred to as the Draft Information Memorandum or Draft IM.
Effective Date 1	Effective Date 1, as defined in the Scheme of Arrangement, is the date when the Amalgamation of the Transferor Company with the Transferee Company comes into effect, in accordance with the terms of the Scheme of Arrangement. The boards of directors of ABNL and Grasim have fixed July 1, 2017 as the Effective Date 1.
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Grasim Industries Limited (Demerged Company) as on the Record Date
Equity Share(s) or Share(s)	Equity shares of the Company having a face value of ₹ 10 each.
Equity Shareholder / Shareholder	A holder of the Equity Shares
Financial Year / Fiscal / Fiscal Year / fiscal year / FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
GCE Fund	Global Clean Energy Fund SPC
Grasim	Grasim Industries Limited, a listed public company, incorporated on August 25, 1947 under the provisions of Gwalior Companies Act (1 of Samvat 1963) and having its registered office at Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh.
IAFL	India Advantage Fund Limited
Idea	Idea Cellular Limited

Term	Description
Information Memorandum	This Information Memorandum dated August 16, 2017 filed with the Stock Exchanges for listing of Equity Shares and referred to as the Information Memorandum or IM.
IOF Cayman	International Opportunities Fund SPC (Cayman Island)
IRIL	Indian Rayon and Industries Limited
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Memorandum/ Memorandum of Association	The Memorandum of Association of our Company, as amended
MMI	MMI Strategic Investments (Pty) Limited
MMI Holdings	MMI Holdings Limited
NCLT	National Company Law Tribunal, Ahmedabad Bench
NH Fund	New Horizon Fund SPC
Promoter	The promoter of our Company, namely, Grasim Industries Limited. For details, see section "Our Promoter, Promoter Group and Group Companies" on page 172.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, see section "Our Promoter, Promoter Group and Group Companies" on page 172.
PSFG	Project and structured finance group of ABFL
Record Date 1 of the Scheme	Record Date 1, as defined in the Scheme of Arrangement, is the date when the Transferee Company shall issue and allot its equity shares to the equity shareholders of the Transferor Company in proportion to the equity shares of the Transferor Company held by them, in accordance with the terms of the Scheme of Arrangement. The board of directors of Grasim has fixed July 6, 2017 as Record Date 1.
Record Date 2 of the Scheme	Record Date 2, as defined in the Scheme of Arrangement, is the date when our Company shall issue and allot its Equity Shares to the equity shareholders of the Transferee Company in proportion to the equity shares of the Transferee Company held by them, in accordance with the terms of the Scheme of Arrangement. The board of directors of Grasim has fixed July 20, 2017 as Record Date 2.
Registered Office	Registered office of the Company, i.e. Indian Rayon Compound, Veraval, Gujarat – 362 266, India.
Registrar and Transfer Agent	Karvy Computershare Private Limited
Registrar of Companies/ RoC	Unless specified otherwise, the Registrar of Companies, Gujarat at Ahmedabad.
Scheme/Scheme of Arrangement / Scheme of Arrangement for Demerger	Composite Scheme of Arrangement between Aditya Birla Nuvo Limited and Grasim Industries Limited and Aditya Birla Capital Limited and their respective shareholders and creditors as approved by the National Company Law Tribunal, Ahmedabad Bench on June 1, 2017.
Senior Management	Senior management means and includes certain key officers of the Company and Subsidiaries, as listed in the section "Our Management" on page 140.
Share Certificate	The certificate in respect of the Equity Shares held in physical form and allotted to a folio
Stock Exchanges	BSE and NSE
Subsidiaries	The subsidiaries of our Company. For details see the section "Our Subsidiaries" on page 160.
Sun Life AMC	Sun Life (India) AMC Investments Inc.
Sun Life Canada	Sun Life Assurance Company of Canada
Sun Life Group	Sun Life Assurance Company of Canada together with Sun Life Financial (India) Insurance Investment Inc. or Sun Life (India) AMC Investments Inc., as the case

Term	Description
	may be
Sun Life Insurance	Sun Life Financial (India) Insurance Investment Inc.
UltraTech	UltraTech Cement Limited

Technical/ Industry Related Terms/ Abbreviations

Term	Description
AAC	Aerated autoclaved concrete
AAUM	Average assets under management
ALM	Asset liability management
AMC	Asset management company
AMFI	Association of Mutual Funds of India
AUM	Assets under management
CAR	Capital adequacy ratio
CIC	Core investment company
CIC-ND-SI	Non-deposit taking systematically important core investment company
DCM	Debt capital markets
DOT	Department of Telecommunication
DPD	Days past due
DSA	Direct sales agent
FYP	First year premium
HFC	Housing finance company
HNI	High net worth individuals
IFC	International Finance Corporation
IRDAI	Insurance Regulatory and Development Authority of India
LAMS	Loan against marketable securities
LAP	Loan against property
LAS	Loan against security
LCBD	Bill discounting backed by letter of credit
LRD	Lease rental discounting
MCEV	Market consistent embedded value
MCX	Multi Commodity Exchange of India Limited
MPERC	Madhya Pradesh Electricity Regulatory Commission
MPSEB	Madhya Pradesh State Electricity Board
MERC	Maharashtra Electricity Regulatory Commission
MSEB	Maharashtra State Electricity Board
MTPA	Million tonnes per annum
NBFC	Non-banking financial company
NBFC-AA Directions	Non-Banking Financial Company Account Aggregator (Reserve Bank) Directions, 2016 dated November 26, 2016
NCDEX	National Commodity and Derivative Exchange Limited
NHB	National Housing Bank
NPA	Non-performing asset

Term	Description
NPS	Net promoter score
RMC	Ready mix concrete
TAT	Turn-around time

Conventional and General Terms / Abbreviations

Term	Description
Act / Companies Act	The Companies Act, 1956 and / or Companies Act, 2013, and amendments thereto, as applicable
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AS 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extra-Ordinary General Meeting
EPS	Earnings per Share
ESOS	Employee stock option schemes
FDI	Foreign Direct Investment
FDI Policy	Consolidated Foreign Direct Investment Policy dated June 7, 2016
FEMA	Foreign Exchange Management Act, 1999 including the regulations framed thereunder
FII	Foreign Institutional Investor as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board, Ministry of Finance, GoI
FVCI	Foreign Venture Capital Investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI under applicable laws in India
GAAP	Generally Accepted Accounting Principles
GOI	Government of India
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IT Act	Income Tax Act, 1961, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
JV	Joint Venture

Term	Description
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NAV	Net Asset Value
NCD	Non-convertible debentures
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
NR	Non-Resident
NRI	Non-Resident Indian
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number under the Income Tax Act, 1961
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
Rs. / Rupees / INR / ₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contract (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Circular	SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, including any amendments thereof
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
STT	Securities Transaction Tax
Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademark Act	Trademark Act, 1999
US/USA	United States of America

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Reserve Bank of India Act, 1934, the Insurance Regulatory and Development Authority of India Act, 1999, the National Housing Bank Act, 1987, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, terms in the sections titled “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, and “Financial Statements”, shall have the meanings given to such terms in these respective sections.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL AND MARKET DATA

Certain Conventions

All references to "India" contained in this Information Memorandum are to the Republic of India.

Unless stated otherwise, all references to page numbers in the Information Memorandum are to the page numbers of the Information Memorandum.

Financial Data

Unless stated otherwise, the financial data in this Information Memorandum is derived from the audited consolidated financial statements of our Company as of and for the fiscal years ended March 31, 2017 and March 31, 2016 and the audited standalone financial statements of our Company as of and for the fiscal years ended March 31, 2017 and March 31, 2016 and March 31, 2015, prepared in accordance with Indian GAAP and the Companies Act.

Further, unless stated otherwise, the financial data in this Information Memorandum in respect of ABFL, ABSLI and ABSLAMC is derived from the audited financial statements (consolidated where applicable) of these entities as of and for the fiscal years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the financial data in respect of ABHFL is derived from its audited financial statements as of and for the fiscal years ended March 31, 2017, March 31, 2016 and March 31, 2015.

In this Information Memorandum, any inconsistencies in any table between the aggregate and the totals of the sums recorded are because of rounding off. Certain figures in decimals have been rounded off and accordingly there may be consequential changes in the Information Memorandum.

Our Company's financial year commences on April 1 of the preceding year and ends on March 31 of that year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled "Risk Factors" and "Our Business" on pages 10 and 80 respectively, and elsewhere in the Information Memorandum have been calculated on the basis of the audited consolidated financial statements of our Company prepared in accordance with Indian GAAP and the Companies Act.

Currency and Units of Presentation

1. All references to "Rupees" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India.

2. All references to "USD" or "US$" are to the United States Dollar, the official currency of the United States.

3. All references to "SGD" or "S$" are to the Singapore Dollar, the official currency of Singapore.

At certain places, our Company has presented certain numerical information in the Information Memorandum in "crores" units. One crore represents 1,00,00,000 or 10 million.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Information Memorandum have been obtained or derived from publicly available information as well as various industry publications and sources. 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. Although we believe the industry and market data used in this Information Memorandum is reliable, it has not been independently verified.

The information included in this Information Memorandum about various other companies is based on their respective Annual Reports and information made available by the respective companies. The data included in this Information Memorandum about different organizations is based on their particular Annual Reports and information made available by the respective organizations.

DOCUMENTS INCORPORATED BY REFERENCE

The audited financial statements, consolidated where applicable, of certain of our Subsidiaries as of and for the fiscal years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, as applicable, along with the audit reports, notes, schedules and annexures thereto, shall be deemed to be incorporated in, and form part of, this Information Memorandum; and are available at the URL indicated against the name of such Subsidiary in the table below:

Sr. No.	Name	URL
1.	Aditya Birla Finance Limited	http://adityabirlacapital.com/Pages/Investors/FinReports.aspx
2.	Aditya Birla Housing Finance Limited	http://adityabirlacapital.com/Pages/Investors/FinReports.aspx
3.	Aditya Birla Sun Life AMC Limited (formerly known as Birla Sun Life Asset Management Company Limited)	http://adityabirlacapital.com/Pages/Investors/FinReports.aspx
4.	Aditya Birla Sun Life Insurance Company Limited (formerly known as Birla Sun Life Insurance Company Limited)	http://adityabirlacapital.com/Pages/Investors/FinReports.aspx

Copies of the above financial statements shall also be available for inspection at the Registered Office of our Company on any working day (i.e. Monday to Friday and not being a bank holiday in Gujarat) between 10.00 am and 5.00 pm from the date of the Information Memorandum until the listing of the Equity Shares on the Stock Exchanges.

Any other information contained on the websites referenced in this Information Memorandum is not incorporated by reference into this Information Memorandum. The Company does not take any responsibility for the accuracy of, and potential investors should not rely upon, any such information.

FORWARD-LOOKING STATEMENTS

This Information Memorandum includes certain statements which contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue", or other words or phrases of similar import, that can be identified as "forward-looking statements". Our forward-looking statements contain information regarding, among other things, our financial condition, future plans, business strategies, objectives, prospects or goals. Forward-looking statements reflect the current views of our Company as of the date of the Information Memorandum and are not a guarantee of future performance. These statements are based on the 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, nor any of their affiliates or advisors 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.

All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from expectations include, among others:

- General economic and business conditions in India and other countries which have an impact on our business activities or investments;
- Regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them;
- Our exposure to market risks and credit risk;
- Our ability to successfully implement our strategy, our growth and expansion plans;
- Technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Adverse changes in social, economic or political conditions in India;
- 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; and
- The changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.

For further discussion of factors that could cause our actual results to differ from the expectations, see the sections titled "Risk Factors" and "Our Business" on pages 10 and 80 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 future gains or losses could materially differ from those that have been estimated.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Equity Shares of our Company. If any of the following risks or other risks that are not currently known or are deemed immaterial at this time, actually occur, our business, financial condition and results of operation could suffer, and you may lose all or part of your redemption amounts and the dividend payments may be affected. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The order of the risk factors appearing hereunder is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

You must rely on your own examination of our Company and this Issue, including the risks and uncertainties involved. Unless the context requires otherwise, references to "we", "our", "our business" or "Company's business" in this section refer to the Company and its Subsidiaries on a consolidated basis.

1. We are involved in certain legal proceedings that if decided against us may have a material adverse impact on our business operations, results of operations and financial conditions.

Our Company and its Subsidiaries are involved in certain legal proceedings pending at different stages of adjudication before various courts and tribunals, appellate authorities and arbitrators. There can be no assurance that these legal proceedings will be decided in our favor. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Directors, Subsidiaries or Promoter, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. Furthermore, we may also not be able to quantify all the claims in which we are involved.

For details of litigations outstanding as on the date of this document, see "Outstanding Litigations and Material Developments" on page 183 of this Information Memorandum.

2. Our Company's significant revenue source is the dividend declared by our Subsidiaries.

Our Company is the holding company of financial services subsidiaries and businesses and has limited operations. As a result, the majority of the revenues of our Company are derived from the dividends that its Subsidiaries declare from time to time. Consequently, in the event that one or more of its Subsidiaries is unable to or does not declare dividends for whatsoever reason including any macroeconomic situation or other factors generally affecting the industry in which such Subsidiary operates, our Company may have lesser, significantly lower or no revenues. In such a situation, the profits of our Company may be affected which would affect our Company's ability to declare and pay dividend. In the event of a bankruptcy, liquidation or reorganization of any of our Subsidiaries, our Company's claims in the assets as a shareholder shall remain subordinated to the claims of the lenders and other creditors of such Subsidiary. Our enterprise valuation may undergo material change should our equity stake in our Subsidiaries be diluted or should they cease to be our Subsidiaries.

3. The Company has contingent liabilities as on March 31, 2017 and if any of its contingent liabilities materialize, it could result in an adverse effect on its financial condition.

As on March 31, 2017, we had contingent liabilities of ₹2,869.7 million, on a consolidated basis, on account of performance guarantees. In the event our contingent liabilities materialize, it could adversely affect our financial condition.

4. Our businesses are vulnerable to interest rate risk.

Our income is significantly dependent on the interest income of some of our Subsidiaries, particularly those engaged in the lending and financing business. Our business is exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from our funding sources (institutional / bank borrowings / money market offerings). We seek to match our interest rate positions to minimize interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on our results of operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility.

If there is an increase in the interest rates that we pay on our borrowings, which we are unable to pass on to our customers, we may find it difficult to compete with our competitors, who may have access to funds sourced at a lower cost. Further, when interest rates decline, we are subject to greater re-pricing and prepayment risks as borrowers take advantage of the attractive interest rate environment. In periods of low interest rates and high competition among lenders, borrowers may seek to reduce their borrowing cost by asking lenders to re-price loans. If our Subsidiaries are required to restructure loans, it could adversely affect our profitability. If borrowers prepay loans, the return on our capital may be impaired if they are not able to deploy the received funds at similar interest rates.

There can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could adversely affect our business, results of operations and financial condition.

5. ***Our growth is dependent on our continued ability to access external financing and capital markets and any disruption in our sources of funding would have a material and adverse effect on our liquidity, profitability and financial condition.***

Our growth will depend on our continued ability to access funds at competitive rates. With the growth of our business, we have become increasingly reliant on funding from the equity capital markets, debt capital markets and commercial borrowings. Our liquidity and the ongoing profitability of our business depends and will continue to depend on our ability to access diversified funding sources in a timely and cost efficient manner. The market for such funding sources is competitive and our ability to obtain funds on acceptable terms and at competitive rates continues to depend on various factors, including our ability to maintain our credit ratings, the regulatory environment and the policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of CICs or NBFCs, and our current and future results of operations and financial condition. For example, while our borrowing costs have been competitive in the past due to our credit rating, the quality of our asset portfolio and our strong parentage, if we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans.

Further, changes in economic and financial conditions or lack of liquidity in the market could make it difficult for us to access funds at competitive rates. As one of our Subsidiaries is an NBFC, we also face certain restrictions on our ability to raise money from international markets, which may further constrain our ability to raise funds at attractive rates.

Any disruption in our primary funding sources at competitive costs would have a material adverse effect on our liquidity, business, results of operations and our future financial performance.

6. ***We face competition from other financial services firms, which could lead to pricing pressures that could materially adversely affect our revenue and profitability.***

The financial services industry and all aspects of our businesses are intensely competitive, and we expect them to remain so. We compete with NBFCs, mutual funds, insurance companies, health insurance companies, wealth management, non-life insurance advisory, broking and other companies offering financial or ancillary services in India and through the internet. We compete on the basis of several factors, including transaction execution, capital or access to capital, products and services, innovation, technology, reputation, risk appetite and price. We have experienced and may continue to experience pricing pressures as a result of these factors and as some of our competitors seek to obtain market share by reducing prices.

7. ***Our Company is a holding company and is reliant on the business activities carried out by our Subsidiaries.***

Our Company is the holding company for our financial services Subsidiaries and businesses and has received a certificate of registration as a non-deposit taking systematically important core investment company ("**CIC-ND-SI**") from the RBI on October 16, 2015. Any amounts that we will raise (through equity and debt) would be mainly utilized to provide debt or equity or any other capital instrument permitted under the applicable laws to our Subsidiaries, joint ventures and associates.

Regulatory, tax restrictions and other legal restrictions may limit our ability to transfer funds freely, either to or from our Subsidiaries. In particular, many of our Subsidiaries are subject to laws, regulations and self-regulatory organization rules that limit, as well as authorize regulatory bodies to block or reduce, the flow of funds to the parent company, or that prohibit such transfers or dividends altogether in certain circumstances. Any such limits or action by regulatory authorities, may result in a curb on our ability to fund our Subsidiaries' operations, or may impact the dividends we receive from them, which may have a materially adverse impact on our results of opertations and financial condition.

8. ***We may encounter problems relating to the operations of our joint ventures.***

We operate some of our businesses through joint ventures. Although we may have a majority stake in each of our joint venture companies, unanimity of the joint venture partner is required for major decisions relating to the business operations of our joint ventures. To the extent there are disagreements between us and our various joint venture partners regarding the business and operations of the joint ventures, we cannot assure that we will be able to resolve them in a manner that will be in our best interests. Under the terms of the joint venture agreements, disagreements between the partners are required to be submitted to arbitration panels or courts of law, as the case may be, whose decisions will be binding. In addition, our partners in our joint ventures may:

- be unable or unwilling to fulfil their obligations, whether of a financial nature or otherwise;
- have economic or business interests or goals that are inconsistent with ours;
- take actions contrary to our instructions or requests or contrary to our policies and objectives;
- take actions that are not acceptable to regulatory authorities;
- have financial difficulties; or
- have disputes with us.

Any of the foregoing could have a material adverse effect on our joint venture business, prospects, financial condition and results of operations.

9. ***If we are unable to manage our rapid growth effectively, our business, future financial performance and results of operations could be materially and adversely affected.***

Our businesses including the business of NBFC, project and structured finance, housing finance, life and health insurance and asset management have grown during the last three years. We intend to continue to grow our businesses rapidly, which could place significant demands on our operational, credit, underwriting capability, financial and other internal risk controls. It may also exert pressure on the adequacy of our capitalization, making management of asset quality increasingly important.

An inability to manage our growth effectively and failure to secure the required funding therefore on favourable terms, could have a material and adverse effect on our business, future financial performance and results of operations.

10. ***We may be required to increase our capital ratio or amount of reserve funds, which may result in changes to our business and accounting practices that may materially and adversely affect our business and results of operations. Compliance with capital adequacy norms in line with our expected asset growth may require us to issue more capital and may also affect our ability to pay dividends in future.***

Our Company, which is a CIC-ND-SI, and our material subsidiary, Aditya Birla Finance Limited, which is a NBFC are subject to the minimum capital to risk weighted assets ratio requirements specified by RBI. Pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. We being a CIC-ND-SI must maintain a minimum capital to risk asset ratio of 30%. The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require us to alter our business and accounting practices or take other actions that could materially and adversely affect our business and operating results.

The National Housing Bank ("**NHB**") has prescribed that housing finance companies are required to maintain a certain capital adequacy ratio ("**CAR**"), comprising Tier I and Tier II capital. Accordingly, our housing finance business, in terms of the directions of NHB must maintain a CAR OF 12%, which means its Tier I and Tier II capital may not be less than 12% of the sum of the risk-weighted assets and the risk adjusted value of off-balance sheet items. Moreover, a HFC must maintain a minimum requirement of Tier I capital at 6% of risk weighted assets and its Tier II capital may not exceed its Tier I capital. With the growth of the loan book of our housing finance subsidiary, ABHFL, it may be necessary to raise additional Tier I and Tier II capital to meet the CAR requirements for it.

There is no guarantee that we shall be able to raise sufficient capital in the future in the requisite time to be able to maintain the applicable limits. We are therefore exposed to the risk of being limited in our ability to grow our business due to a declining CAR if we have difficulty in accessing the capital markets to meet our financial requirements.

11. If our insurance business does not meet solvency ratio requirements, our Company could be subject to regulatory actions.

Solvency ratio is the ratio of the excess of assets over liabilities to the required capital. Indian laws and regulations require our insurance business to maintain a certain level of solvency ratio and if our insurance business fails to meet the relevant level of solvency requirements, the IRDAI is authorised to issue directions to our insurance business as deemed necessary by it, including directions in regard to transacting any new business.

The solvency ratio of our insurance business is affected by factors such as our amount of capital, product mix, business growth and profitability. If the share capital and profit our insurance business cannot continue to support its growth in the future, if the statutorily required solvency margin increases or the current solvency regime is changed, if our insurance business' financial condition or results of operations deteriorate, or for other reasons it cannot comply with the statutory solvency ratio requirements, it may need to raise additional capital in order to meet such requirements. Our ability to obtain additional capital from external sources in the future is subject to a variety of uncertainties, including but not limited to, our future financial condition, results of operations, cash flow, government regulatory approvals, changes in regulations relating to capital raising activities, our credit rating, general market conditions for capital raising activities, and other economic and political conditions in and outside India. We may not be able to obtain additional capital in a timely manner or on acceptable terms. Failure by us to meet the solvency ratio requirements may have a material adverse effect on our insurance business, financial condition, results of operations and prospects.

12. We require certain statutory and regulatory approvals for conducting our business and our failure to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.

The financial services sector in India is subject to strict regulation and supervision by the RBI, SEBI, the Insurance Regulatory and Development Authority of India ("**IRDAI**"), NHB and other regulatory bodies. We require certain approvals, licenses, registrations and permissions for operating our businesses and such approvals, licenses, registrations and permissions must be maintained over time. Moreover, applicable requirements may change and we may not be aware of or comply with all requirements all of the time.

Our Company and its financing businesses are required to obtain and maintain a certificate of registration for carrying on business as an NBFC that is subject to numerous conditions. Also, our insurance business is required to obtain and maintain licenses from IRDAI, our housing finance business is required to obtain and maintain licence from NHB and other financial services are required to maintain registrations with SEBI.

Given the extensive regulation of the financial services industry, it is possible that we could be found by a court, arbitration panel or regulatory authority not to have complied with applicable legal or regulatory requirements. Further, we may be subject to lawsuits or arbitration claims by customers, employees or other third parties in the different state jurisdictions in India in which we conduct our business. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities. We may also incur substantial costs related to litigation if we are subject to significant legal action, which may materially and adversely affect our business, future financial performance and results of operations.

13. Our life and health insurance and insurance broking businesses are subject to a number of insurance laws and regulations which may restrict our life and health insurance businesses' operating flexibility and limit their ability to closely match the duration of their assets and liabilities.

Our life and health insurance businesses are subject to a number of insurance laws and regulations governing a wide variety of issues, including foreign investment, solvency requirements, investments, money laundering, privacy, record keeping, marketing and selling practices, thereby restricting our insurance Subsidiaries' operating flexibility. Any change in the policies by IRDAI, including in relation to investment or provisioning or rural and social sector obligations or norms, may result in our inability to meet such increased or changed requirements as well as require us to increase our coverage to relatively riskier segments. Our insurance broking business is also subject to various compliance requirements of IRDAI regulations.

Like other insurance companies, our insurance Subsidiaries seek to manage interest rate risk by matching, to the extent commercially practicable, the average duration of our investment assets and the corresponding insurance policy liabilities they support which reduces our exposure to changes in interest rates. However, restrictions under Indian insurance laws and related regulations, including the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, on the type of investments and amount of investment assets in which we may invest, as well as the limited amounts and types of long-term investment assets in the Indian capital markets capable of matching the duration of our liabilities, may result in a shorter duration of assets than liabilities with respect to certain of our investments. Our failure to closely match the duration of our assets to that of the corresponding liabilities will continue to expose us to risks related to interest rate changes, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

14. Our insurance business is vulnerable to volatility in the Indian insurance market and is subject to seasonal fluctuations in the insurance sector with respect to operating results and cash flows.

The Indian insurance market has witnessed varying levels of growth over the years. Over the long term, we expect the insurance market in India to continue to expand and the insurance penetration and insurance density to continue to rise with the continued growth of the Indian economy, favourable demographic patterns and rise in household financial savings. Our judgements regarding the anticipated drivers of such growth and their impact on the Indian insurance industry might also be mistaken and actual developments might not reflect such expectations. In addition, the Indian insurance industry may not be free from systemic risks, including risks related to macroeconomic conditions and customers' attitude to financial savings. Consequently, the growth and development of the Indian insurance industry cannot be assured, which makes our insurance business vulnerable to such volatility.

In addition, the insurance sector is subject to seasonal fluctuations in operating results and cash flow. Insurance volumes typically significantly increase in the final quarter of each fiscal year, which coincides with the end of the tax year, due to customers wanting to avail of income tax advantages that life insurance products offer. For the same reason, we typically experience slower sequential revenue growth in the first quarter of each fiscal year. As a result of these factors, our insurance business may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period.

15. Our housing finance business is exposed to risks associated with the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.

Through our housing finance business, which is primarily carried out by our subsidiary ABHFL, we offer a number housing finance loans including home purchase loans, home improvement loans, home construction loans and home extension loans. The primary security for these loans is the underlying property and the value of this security is significantly dependent on the conditions prevalent in the housing finance market at that time. The value of the collateral on these loans may decline due to adverse market conditions, including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations. Failure to recover the expected value of the collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition.

In addition, home construction loans may be exposed to risks related to time and cost overruns and related increases. Factors such as third party performance risks, delays in obtaining the requisite approvals, environmental risks, changes in market conditions, changes in government or regulatory policies, permits, licenses or certifications from the relevant authorities as well as shortages of, or material increases in prices of, construction materials, equipment, technical skills and labour, or other unforeseeable problems and circumstances may lead to delays in, or prevent the completion of the homes and result in costs substantially exceeding those originally budgeted, which may affect our borrowers' ability to repay their loans.

16. ***Lending activities of our businesses may be at risk in case of default or non-payment by customers.***

Lending activities across our financing, housing finance and other businesses are vulnerable to risks in case of default or non-payment by customers. There are multiple factors which have an impact on the non-payment by our customers including movements in the global market, interest rate volatility and the day-to-day changes in statutory regulations. Additionally, we are constantly exposed to the risk of higher delinquency rates or interest rates caused by adverse economic conditions which may impair our revenue collection due to reduction in interest income. It also increased the cost of collection of delinquent loans. It is imperative to maintain the NPAs at a certain level and prevent them from increasing. This would require the implementation of adequate credit appraisal, recovery processes and the related deterioration in the credit quality of our loan portfolio. An increase in the proportion of our NPAs in our total loan portfolio may, in turn, have a material adverse effect on our financial condition and results of operations.

17. ***Our business, financial condition, results of operations and prospects may be materially and adversely affected if our businesses' product mix changes or if our businesses are not able to maintain their market position or sustain their growth.***

We design and distribute a range of financial products and solutions. Our ability to design and distribute appropriate products to our target customer segments through our multiple distribution channels on a timely basis affects our performance. Since our capital requirements, pricing assumptions, level of reserves, profitability and the patterns of profits vary from product to product, changes in the product mix for new business may impact the results of our operations.

If we are unable to maintain our overall levels of growth while growing our lines of business, our market position, profitability and value of new business may be adversely affected. Any slowdown in our growth, whether in absolute terms or relative to industry trends could adversely affect our market position and a loss of our market position could adversely affect our ability to sustain our growth. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

18. ***Changes in the regulatory environment in which we operate could have a material adverse effect on our business, financial condition, results of operations and prospects.***

The regulatory environment in which we operate is subject to change both in the form of gradual evolution over time and also in the form of significant reforms from time to time. We have been materially affected in the past due to regulatory changes effecting our business segments. For example, regulations governing issuance of unit linked products by insurance companies introduced in 2010, which capped charges and prescribed minimum levels of sum assured, and those governing non linked products introduced in 2013 affected our insurance business. Further, NBFCs in India are subject to detailed supervision and regulation by the RBI including making provisions in respect of NPAs, while the life insurance, health insurance and insurance broking businesses are subject to detailed supervision and regulation by the IRDAI. Housing finance companies are subject to detailed supervision and regulation by the NHB, while the Asset Management and Equity Broking companies in India are subject to detailed supervision and regulation by SEBI. Our businesses like project finance are particularly vulnerable to changes in government policy in the infrastructure sector. Any changes in the regulatory framework affecting NBFCs, insurance companies, asset management companies, housing finance companies or other financial services companies including the provisioning for NPAs or capital adequacy requirements could adversely affect the profitability of our Company or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

Any such change in the future may also require us to commit significant management resources and may require significant changes to our business practices and could have a material adverse effect on our business, financial condition, results of operations and prospects.

19. ***Shifts in demographic trends and consumer attitudes towards insurance could have a material and adverse effect on our business, financial condition, results of operations and prospects.***

Our business and profitability are affected by general economic and demographic conditions in India. India's economic growth trends, household savings rate, consumer attitudes towards financial savings, demographic profile, and life insurance penetration rates are some of the key factors affecting the performance of its life insurance industry. However, if the economic or demographic conditions in India deteriorate or are not in line with our expectations, or the impact on our business is different from what we expect, our financial condition and results of operations may be materially and adversely affected. Unfavourable variance in mortality experience vis-a-vis what has been priced for in the product can also have an adverse impact on performance of the life insurance business. Likewise, in the context of our health insurance business, health claims to an extent much higher than those priced for can have a negative impact on the performance of the health insurance business.

20. Our investment portfolio is subject to liquidity risk which could decrease its value.

Some of our investments may not have sufficient liquidity as a result of a lack of market makers, market sentiment and volatility, and the availability and cost of credit. In these circumstances, our ability to sell our assets without significantly depressing market prices, or at all, may be limited. In time of market volatility and reduced liquidity, we may find it difficult to execute the balancing trade and expose ourselves to the risk of not meeting the underlying guarantees. We also hold unlisted debt and equity investments, and real estate investments. We also run the risk of a shortfall in fund value vis-a-vis our liability under guaranteed products, arising from drop in interest rates to an extent greater than anticipated. If we are required to dispose of these or other potentially illiquid assets on short notice due to significant insurance claims to be paid, significant fall in value of our liquid assets, surrenders and withdrawals of existing policies or other reasons, we could be forced to sell such assets at prices significantly lower than the prices we have recorded in our consolidated financial statements. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

21. Our asset management business is vulnerable to risks posed by decline in value and composition of assets under management due to factors outside our control and underperformance of our investment portfolio.

Income of our asset management business, which is primarily carried out through ABSLAMC and its Subsidiaries, is significantly dependent on the total value and composition of assets under management ("**AUM**"), as our management fees are usually calculated as a percentage of AUM. Any decrease in the value or composition of AUM will cause a decline in income and profit. AUM may decline or fluctuate for various reasons including certain reasons which are outside our control such as decline in Indian equity markets, changes in interest rates and defaults and redemption or withdrawal of investments by clients.

In addition, investment performance is one of the most important factors for maintaining and growing AUM. Poor investment performance, either on an absolute or relative basis, could impair our income and growth because existing clients might withdraw funds in favor of better performing products, our ability to attract funds from existing and new clients might diminish or negative absolute investment performance will directly reduce the value of our managed assets thereby affecting our management fees.

In addition, an important component of investment performance 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, our investment performance could be adversely affected.

22. Some of our businesses benefit significantly from the high rate of financial savings in India, and any decline in the rate of savings may adversely affect such businesses.

The mutual fund and insurance industries benefit immensely from the high rate of savings, in particular financial savings, in India. The increase in consumer options and available credit in India has resulted in an increase in consumer spending, which may lead to a decrease in the savings rate. Any decline in the rate of savings may adversely affect the growth of our asset management and insurance businesses.

23. Our asset management business is exposed to the risk of investment management fee which in turn affects its income and profitability.

SEBI regulates the level of management fees that we can charge domestic mutual funds and prescribes limits on such fees depending on the nature of the fund. Any changes in regulatory limits on fee might impact our financial condition. Further, 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. Fee reductions on existing or future business would have an adverse impact on our income and profitability.

24. We face asset-liability mismatches which could affect our liquidity, and which may as a consequence have a material and adverse effect on our business, future financial performance and results of operations.

We have an asset-liability management policy in place which categorizes all interest rate sensitive assets and liabilities into various time period categories according to contracted residual maturities or anticipated re-pricing dates, as may be relevant in each case. The difference between the value of assets and liabilities maturing, or being re-priced, in any time period category provides the measure to which we are exposed to the risk of potential changes in the margins on new or re-priced assets and liabilities.

Accordingly, we face potential liquidity risks due to varying periods over which our assets and liabilities mature. As is typical for NBFCs and HFCs, our funding requirements are met through a combination of sources. Our inability to obtain additional credit facilities or renew our existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our business, future financial performance and results of operations.

In addition, such funding mismatches between our assets and liabilities are aggravated when our customers pre-pay any of the financing facilities we grant to them.

25. Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons.

Our future performance will be affected in case our management team and skilled personnel discontinue their service with the Company. We also face a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as we continue to grow. If we lose a key personnel and are unable to recruit and retain them, our ability to manage day-to-day aspects of the business may be affected.

We face significant competition in attracting and retaining personnel who possess the skill sets that we seek. Our senior management possesses ability and unique experience of working in the industry in addition to the relations they foster with our suppliers and customers. If one or more members of our senior management team were unable or unwilling to continue their present positions, it may be difficult to replace.

26. A majority of our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may adversely affect our business operations.

A majority of our business operations are being conducted on premises leased from various third parties. We may also enter into such transactions with third parties in the future. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may adversely affect our business operations.

27. A failure of our operational systems or infrastructure, or those of third parties, could impair our liquidity, disrupt our businesses, cause damage to our reputation and result in losses.

Our business is highly dependent on our ability to process a large number of transactions. Our financial, accounting, data processing or other operating systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, adversely affecting our ability to process these transactions. As we grow our business, the inability of our systems to accommodate an increasing volume of transactions could also constrain our ability to expand our businesses. Additionally, shortcomings or failures in our internal processes or systems could lead to an impairment of our financial condition, financial loss, disruption of our business and reputational damage. As we rely on third party vendors/service providers in several businesses, these businesses are also vulnerable to the risk arising from breakdown of systems, processes, human error etc. taking place in such third party operations.

Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to, and received by, our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products. Our failure to maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations.

We may also be subject to disruptions of our operating systems, arising from events that are wholly or partially beyond our control including, for example, computer viruses or electrical or telecommunication service disruptions, which may result in a loss or liability to us.

28. ***We are exposed to various operational risks, including the risk of fraud and other misconduct by employees or outsiders.***

As with other financial services entity, we are exposed to various operational risks such as fraud or misconduct by our employees or by an outsider, unauthorized transactions by employees or third parties, misreporting of and non-compliance with various statutory and legal requirements and operational errors. It may not always be possible to deter employees from or otherwise prevent misconduct or misappropriation of cash collections, and the precautions we take to detect and prevent these activities may not always be effective. Any instance of employee misconduct, fraud or improper use or disclosure of confidential information could result in regulatory and legal proceedings which if unsuccessfully defended, could materially and adversely affect our business, future financial performance and results of operations.

Despite the business contingency plans and the disaster recovery policies we have in place, there can be no assurance that such plans will fully mitigate all potential business continuity risks to us. Our ability to conduct business may be adversely affected by a disruption in the infrastructure that supports our business and the communities where we are located. This may include a disruption involving physical site access, cyber incidents, terrorist activities, disease pandemics, catastrophic events, natural disasters, extreme weather events, electrical outage, environmental hazard, computer servers, communications or other services we use, our employees or third parties with whom we conduct business.

Although we devote significant resources to maintaining and upgrading our systems and networks with measures such as intrusion prevention and detection systems, monitoring firewalls and network traffic to safeguard critical business applications and supervising third party providers that have access to our systems, there is no guarantee that these measures or any other measures can provide absolute security given the techniques used in cyber attacks are complex and frequently change, and may not be able to be anticipated. Like other financial services firms, the Firm and our third party providers continue to be the subject of attempted unauthorized access, mishandling or misuse of information, computer viruses or malware, cyber attacks designed to obtain confidential information, destroy data, disrupt or degrade service, sabotage systems or cause other damage, denial of service attacks and other events. These threats may derive from human error, fraud or malice on the part of our employees or third parties, including third party providers, or may result from accidental technological failure.

Our Company and its Subsidiaries sell and market their products through intermediaries as well as certain of our employees. Under certain circumstances, the sales process might be considered inadequate by reasons of not conforming to our acceptable sales practice or there might be a misconduct on part of our sales staff, advisors, franchisees, agents and other employees or intermediaries. Such misconduct could include activities of mis-selling such as making non-compliant or fraudulent promises of high returns on investment, recommending inappropriate products and fund management strategies. We may be subject to claims by customers in such instances of mis-selling and this may affect our reputation and business prospects. In addition, regulators may attribute the mis-selling activities to us and impose penalties on us for non-compliance.

Although we have a strict code of conduct and insider trading norms to monitor, detect and prevent fraud, there can be no assurance that we will not suffer significant losses due to breach of such norms. Any breach of the strict code of conduct and the insider trading norms by any of our employees could damage our brand and reputation. Furthermore, negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business an adversely affect our profitability.

29. ***Weaknesses, disruptions or failures in IT systems could adversely impact our business.***

We rely on IT systems in connection with financial controls, risk management and transaction processing. The increasing size of our operations, which use automated control and recording systems for record keeping, exposes us to the risk of errors in control and record keeping. Given our volume of transactions, certain errors may be repeated or compounded before they are discovered and rectified. Our dependence upon automated IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove to be inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions of our IT systems, arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, cyber-attacks or similar events, or loss of support services from third parties such as internet backbone providers). In the event we experience system interruptions, errors or downtime, this may give rise to deterioration in customer service and to loss or liability to us and it may materially and adversely affect our business, financial condition and results of operations.

30. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

31. We have entered into, and will continue to enter into, related party transactions.

We are involved in, and we expect that we will continue to be involved in, a significant number of related party transactions. While we believe that all such transactions have been conducted in the ordinary course of business and on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. The details of the related party transactions undertaken during the fiscal year 2017 are provided on page F-53.

Further, the Companies Act, 2013 has brought into effect certain significant changes providing for more stringent compliance requirements for related party transactions. SEBI has recently issued revised corporate governance guidelines by notifying the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**"), which are applicable for all listed companies.

As required under the Companies Act, 2013, our Company is, *inter alia*, required to obtain prior approval of majority of our shareholders through an ordinary resolution for all future material related party transactions where any person or entity that is related to our Company will be required to abstain from voting on such resolutions.

We will continue to have related party transactions in the future and we may face difficulties in entering into related party transactions in future due to these requirements which may adversely affect our business and results of operations.

32. Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance and results of operations.

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that the good reputation created thereby and inherent in the "Aditya Birla" brand name is essential to our business. As such, any damage to our reputation, or that of the "Aditya Birla" brand name, could substantially impair our ability to maintain or grow our business. In addition, any action on the part of any of the Aditya Birla group companies that negatively impact the "Aditya Birla" brand could have a material and adverse effect on our business, future financial performance and results of operations.

33. Restrictions on payment of dividend.

As per the provisions of the Companies Act, the dividends payable on the Equity Shares can only be out of profits of the Company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the Company for any previous fiscal year(s) arrived at as laid down by the Companies Act. Further, where the profits (including accumulated profits standing in the profit or loss account) are inadequate, dividends can be paid out of free reserves, in accordance with the Companies Act and the rules made thereunder. In case the Company does not have adequate profits, the Company will not be able to pay the dividends on its Equity Shares.

34. *A slowdown in economic growth in India could cause the Company's business to suffer.*

The Company's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect its business, including its ability to grow its asset portfolio, the quality of its assets, and its ability to implement its strategy. India's economy could be adversely affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general down trend in the economy.

35. *Our business is substantially affected by the prevailing economic, political and other conditions in India.*

We are incorporated in and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its financial sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

36. *We may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.*

We are required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. We, in the course of our operations, run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls to prevent the occurrence of these risks as is customary in our jurisdiction.

37. *The trading volume and market price of the Equity Shares may be volatile following the Offer.*

Upon listing, the market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;

- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Once our Equity Shares are listed, changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

SECTION III: INTRODUCTION

SUMMARY OF OUR BUSINESS

In this section "the Company", "our Company", "we", "us" and "our" refers to Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) and its Subsidiaries on a consolidated basis.

Overview

The Company is a non-deposit taking systemically important core investment company ("**CIC-ND-SI**") and Aditya Birla Capital Limited is the holding company of all the financial service businesses of the Aditya Birla Group. It has a significant presence across several business sectors including NBFC, asset management, life insurance, health insurance and wellness, housing finance, private equity, general insurance broking, wealth management, broking, online personal finance management, and pension fund management. The Company has recently applied to RBI for seeking license to start asset reconstruction and securitisation business.

The Company's businesses are spread across the gamut of financial services in India, and include entities among the top five largest private diversified NBFCs in India based on AUM as of March 31, 2017 (source: CRISIL), the 4th largest asset management company in India by domestic AAUM as published by AMFI for the quarter ended March 2017, a leading private life insurance company in India and among the top five general insurance brokers in India.

Across our 12 lines of business, the Company manages assets worth ₹ 2,613 billion with a lending book close to ₹ 411 billion and has over 12,500 employees as of June 30, 2017. It has a presence in more than 400 cities in India through over 1,300 points of presence and over 150,000 agents and channel partners. Our AUM (across our asset management and insurance businesses) has grown from ₹ 1,074 billion in fiscal year 2013 to ₹ 2,463 billion in fiscal year 2017, while our lending book has grown from ₹ 80 billion to ₹ 388 billion over the same period. With consolidated revenue of ₹ 58.86 billion and profits before tax of ₹ 10.66 billion for the year ended March 31, 2017, the Company has emerged as a significant player in the financial services business among non-bank players. As of June 30, 2017, consolidated revenues stood at ₹ 26.98 billion with profits before tax of ₹ 3.59 billion.

The Company had a net worth of ₹ 46,109 million and debt of ₹ 4,930 million as on March 31, 2017 and has deployed ₹ 50,540 million as investment in its Subsidiaries and private equity fund. During the year ended March 31, 2017, the Company received capital infusion of ₹ 29,481 million from its holding company and raised debt of ₹ 4,930 million to meet its capital requirement for investment in subsidiary companies and redemption of preference shares. As on June 30, 2017, net worth stood at ₹ 53,118 million, debt of ₹ 4,949 million with the company having deployed ₹ 50,720 million as investment in its Subsidiaries and private equity fund.

Upon consummation of the Scheme, the Company will be a subsidiary of Grasim, a corporation having a leadership position across its manufacturing as well as services sector businesses. Grasim is a part of the Aditya Birla Group, a US $40 billion (approximately ₹ 2,600 billion) conglomerate. The Aditya Birla Group is in the League of Fortune 500, is anchored by an extraordinary force of over 120,000 employees, belonging to 42 nationalities and has about 50% of its revenues flowing from its overseas operations spanning 36 countries.

Our Business Lines

We believe that customers seek financial services and solutions for their personal and business financing needs, to invest their surplus funds for better future returns, for insuring and protecting lives and health of their loved ones and advisory services in relation to the above. Through our key business lines we deliver **financing**, **investment**, **protection** and **advisory** services to our customers and clients. We believe our broad based and integrated financial solutions offerings enable us to service our customers from "cradle to grave".

Financing

Through our subsidiary Aditya Birla Finance Limited ("**ABFL**"), we offer end-to-end lending, financing and wealth management solutions to retail, micro SME, SME and corporate customers. ABFL has grown approximately 9.5 times in the last five years with a loan book of approximately ₹ 347 billion as of March 31, 2017. For the quarter ended June 30, 2017, the loan book was at ₹ 362 billion. Along with its growth, ABFL has maintained healthy asset quality with GNPA of 0.47% as of March 31, 2017 on 120 DPD (days past due). For the quarter ended June 30, 2017, GNPA was at 0.5% on 90 DPD. This is reflected in its short term credit rating of A1+ by ICRA, long term credit rating of AA+ (with stable outlook) by ICRA and perpetual debt credit rating of AA (with stable outlook) by ICRA and India Ratings. ABFL offers customized solutions in areas of personal and business loans, corporate finance, mortgages, capital market based lending, project loans, structured finance, wealth management and digital lending, debt capital markets and syndication.

Headquartered in Mumbai, ABFL has a wide network through its branches and associates across the country and offers an extensive range of financial products, including lending, financing and wealth management solutions.

Through our home loan solutions, Aditya Birla Housing Finance Limited ("**ABHFL**") assists our customers in achieving their dream of owning a home. ABHFL offers a complete range of housing finance solutions such as home loans, home improvement and construction loans, balance transfer and top-up loans, loans against property and construction finance. It is registered with the National Housing Bank ("**NHB**") as a Systemically Important Non Deposit Accepting Housing Finance Company. ABHFL is a fast growing housing finance company with a net worth of ₹ 4,211 million and lending book value at ₹ 48,162 million as on June 30, 2017.

Investment

Since 1994, Aditya Birla Sun Life AMC Limited ("**ABSLAMC**") (formerly known as Birla Sun Life Asset Management Company Limited) has been one of the leading providers of asset management services in India, catering to a diverse group of customers through a wide variety of investment solutions focused on regular income, wealth creation, tax savings, etc. ABSLAMC provides sector specific equity schemes, fund of fund schemes, hybrid and monthly income funds, debt and treasury products and offshore funds. It is the 4th largest asset management company in India based on domestic average assets under management ("**AAUM**") as published by AMFI for the quarter ended June 2017. With pan India network of 150 branches and other distribution channels, ABSLAMC has around 4.3 million investor folios as of June 30, 2017 and had AAUM of ₹ 2,252 billion for the quarter ended June 2017, growing at a CAGR of 26% since quarter ended March 2013 to quarter ended June 2017.ABSLAMC also provides portfolio management services and investment advisory services to offshore funds and high net worth investors. ABSLAMC's portfolio management service is a highly customised service that helps HNIs fulfil their financial goals. ABSLAMC also provides portfolio management services and investment advisory services to offshore funds and Aditya Birla Real Estate Fund. ABSLAMC also manages funds of certain financial institutions and sovereign funds and has certain overseas subsidiaries and funds. Aditya Birla Capital Limited holds 51% of share capital of ABSLAMC and Sun Life (India) AMC Investments Inc. holds 49%.

Aditya Birla PE Advisors Private Limited ("**ABPE**") (formerly known as Aditya Birla Capital Advisors Private Limited) provides financial advisory and management services with focus on managing venture capital funds and alternate investment funds. ABPE is presently appointed as an investment manager to two SEBI registered domestic venture capital funds, namely, Aditya Birla Private Equity - Fund I and Aditya Birla Private Equity – Sunrise Fund, where it currently manages a gross AUM of ₹ 11.79 billion under these two funds. In addition, ABPE offers investment management and advisory services to domestic and global investors and partners with its portfolio companies to provide them strategic direction for their operations and growth. ABPE focuses on growth investments in mid-market companies, with India as the investment destination.

Aditya Birla Money Limited ("**ABML**"), a listed company with its shares listed on the BSE and NSE, is currently engaged in the business of securities broking and is registered as a stock broker with SEBI. It offers a wide range of solutions including broking, portfolio management services, depository and e-insurance repository solutions and distribution of other financial products. In addition, through its Aditya Birla Commodities Broking Limited ("**ABCBL**") subsidiary, it is engaged in the business of commodities broking. It is registered as a commodity broker with SEBI and is a member of MCX and NCDEX. It has a combined pan India distribution network with over 40 branch offices. ABCL holds 75% of share capital of ABML and balance is held by public.

Protection

Our life insurance subsidiary, ABSLI, is one of the leading private sector life insurance companies in India. As of June 2017, total AUM of BSLI stood at ₹ 351,804 million. (Source: Life Insurance Council) ABCL holds the 51% of share capital of ABSLI and Sun Life Financial (India) Investment Inc. holds the remaining 49%. ABSLI offers our customers solutions and products ranging from unit linked insurance products, participating and non-participating to pure protection. ABSLI offers a complete range of offerings comprising protection solutions, children's future solutions, wealth with protection solutions, health and wellness solutions, retirement solutions and savings with protection solutions.

ABHICL is engaged in the business of health insurance. MMI Holdings, our 49% joint venture partner, is a diversified financial services leader from South Africa. ABHICL's current product portfolio includes Group Activ Health, Group Activ Secure, Retail Activ Health and unique offerings including chronic care and incentivized wellness. Currently, ABHICL is present in 34 cities with 43 branches in India with around 3,054 agents and 199 brokers (87 retail and 112 group brokers). The key philosophy of ABHICL is to move from "buy and forget" to "buy and engage" by looking beyond funding for basic sickness. It aims to help its customers know their health better through continuous engagement and adopt a holistic approach towards health management. Aditya Birla Wellness Private Limited, also a 51:49 joint venture with MMI Holdings, manages the wellness benefits under approved insurance products of ABHICL and is in the process of launching 'Multiply', wellness and rewards program which rewards customers with discounts on a variety of partner brands.

Advisory

Aditya Birla MyUniverse Limited ("**ABMUL**") through its online money management platform www.MyUniverse.co.in ("**MyUniverse**"), offers its customers account aggregation of all financial services products including bank accounts, credit cards, loans, mutual funds, demat accounts, insurance, incomes and expenses in a highly secure environment. It is a rapidly growing platform and now has over 3.91 million registered customers with around 8% to 15% of them using the aggregation services. MyUniverse works with over 50 financial institutions to offer their services and products. In 2012, in a survey conducted by AC Nielsen covering 30,000 consumers across 36 markets, MyUniverse was voted as "Product of the Year" for innovation in the financial services category.

We provide general insurance broking and risk advisory solutions to companies and individuals through our insurance broking subsidiary, Aditya Birla Insurance Brokers Limited ("**ABIBL**"). ABCL holds 50.01% of share capital of ABIBL. ABIBL is among the leading players in the retail industry and enjoys a strong presence in the corporate business industry where it provides solutions to a vast array of sectors ranging from manufacturing and metals to financial services with a market share of 2.02% in fiscal year 2017 (*Source: General Insurance Council*).

Our Competitive Strengths

We believe that our historical success and future prospects are directly related to a combination of strengths, including the following:

1. Strong platform with a comprehensive range of financial solutions that positions us well to exploit growth opportunities in the Indian financial services industry

The strength of our financial services platform is highlighted by leading market position across various segments of our business. These include entities that are among the top five largest private diversified NBFCs in India based on AUM as of March 31, 2017(source: CRISIL), among the top five general insurance brokers in India, the 4th ranked asset management company in India (by domestic AAUM as published by AMFI for the quarter ended March 2017) and a leading private life insurance company in India. We believe that this breadth of offering coupled with strong market position and our brand image has resulted in significant goodwill towards our Company as well as beneficial customer relationships.

Our array of businesses provides our customers with a full range of solutions for their financial needs, ranging from life insurance and health insurance to asset management and non-banking financial services. We are also engaged in growing businesses such as housing finance, health insurance and online personal finance management. The diversity of our service offerings enables us to cater to all customer segments, including corporate, SMEs, HNIs, retail and social/rural customer bases. We believe that we are thus a solutions provider across all the financial needs of our customers.

Our businesses are supported by our large and well-established distribution network, spread across India and covering urban and semi-urban population centres.

We believe that the range of our offerings, combined with our strong distribution network and established presence in key sectors positions us well to take advantage of the potential for growth in the financial services sector in India.

2. Strong franchises, established goodwill and customer relationships

One of our key strengths is our affiliation and our relationship with the Aditya Birla group of companies and the strong brand equity generated from the "Aditya Birla" brand name. We have been successful in creating strong and distinct franchises in India for certain business segments through continued efforts towards brand development. We operate in an environment where generating and maintaining brand recognition is a significant element of our business strategy. We believe that through our focus on continuous product innovation and premium customer services, our financial services businesses have created strong franchises. Our businesses have received several awards and recognitions, including "Overall Fund House of the Year" at Thomson Reuter Lipper Awards, 2017; "Best Fund House – Investor Education", Best of the Best Awards at the Asia Asset

Management Awards, 2016. "Runner up – Equity AMC of the Year" at the Outlook Money Awards, 2016 and Birla Sun Life Insurance being ranked 4th in a customer loyalty study conducted by Kantar IMRB in 2017.

3. *Large and established multi-channel network*

Our businesses possess a strong and well-established multi-channel distribution network, which, as of fiscal year 2017, includes:

- Over 150,000 agents and channel partners;
- Over 82,000 life insurance agents;
- Over 54,000 independent financial advisors;
- Over 1,300 points of presence;
- Over 3,300 direct sales agents for our lending operations; and
- Tie-ups with 84 banks

This multi-channel approach to distribution enables us to reach all customer segments with significant on-ground presence, which we believe contributes to our new customer acquisition as well as maintaining ongoing customer relationships and helps us disseminate information about our financial service solutions. Our digital initiatives also complement our physical distribution infrastructure, driving efficiency and enhancing our customer experience.

4. *Robust risk management processes*

Management of risk is essential in a financial services business, and we believe we have in place robust mechanisms to manage our risk. Our target customers vary from institutions and large corporates through medium and small enterprises to HNIs and retail individual customers. We have in place credit analysis procedures for each of our financial products, depending on the nature of the customer, purpose of the financial product and the amount involved. We conduct verification procedures including analysis of financial information, document verification, background checks etc., as applicable. Our assessment of institutional borrowers encompasses analysis of their business viability, credit history, reputation and experience of their promoters and management, etc.

5. *Broad based and integrated businesses resulting in synergies*

We have an integrated and broad based business model offering a range of services across the financial services spectrum. This encompasses all customer segments in India, and we also have a significant geographic coverage through a broad-based, multi-channel distribution network.

We also benefit from the diverse revenue streams that result from our varied businesses. We believe that the wide range of financial products and services that we offer provide us complementary revenue streams that help balance against market cycles and provides us a natural hedge against downturns in any particular business segment or asset class. Our diversity extends not only across products and services, but customer segments and geographies in India as well. Our corporate services cater to customers ranging from very large corporates to small and medium enterprises, while our retail customers range from mass market to HNIs. Further, our geographic coverage extends across metro, urban and semi-urban population centres in India.

While our range of services enables us to provide solutions across a single customer's varied financial and investment requirements, we believe that our diversified businesses also lead to significant cross-selling opportunities (in compliance with applicable regulatory restrictions). This gives us a larger proportion of the customer wallet, and at the same time we are able to take advantage of internal synergies and economies of scale in our operations.

6. *Track record of product innovation and performance*

Across our business lines, we have continually sort to evolve with market movements and cater to customer needs and preferences. For example, in our financing business, over the years we have evolved solutions from capital market based lending through customised project and structured finance solutions to lending through our digital platform, and we propose to explore new products such as financing for healthcare and consumer durables. Further, in our investing business, we have introduced a robo-advisory equivalent website and developed products such as century SIP. We have also launched an online money management platform that offers our customers advisory and account aggregation services.

We believe that these products have seen positive customer response and our track record of innovation will stand us in good stead in the evolving financial services sector in India.

Our Key Strategies

Our vision is to be leader and role model in meeting our customers' broad based needs through an integrated financial services platform. We intend to continue increasing our revenues and market share and profitability through the following key strategies:

1. Expand reach and product offerings

We seek to continue to develop our geographic and customer coverage through expansion of our range of financial solutions as well as of our distribution network. We believe that our broad distribution network enables us to reach retail investors across the country. Further, increasing the range of our product offerings and distribution reach is key to maintaining and growing our market share in Indian financial services.

Our existing diverse range of financial solutions, coupled with our distribution network, organizational structure and culture provides us with the ability to offer various products and services from across our business to our expanding customer base, enabling us to increase our share of a customer's wallet. We believe this will continue to grow as we seek to improve our customer experience and efficiency including through the growth of our digital and online product offerings.

We also seek to continue growing our distribution network by increasing tie-ups with banking and other partners. We aim to achieve a strong multi-channel distribution network across our businesses with an optimal balance between direct channels such as agency and proprietary channels, tie-ups and partnerships with various participants as well as digital means for acquiring customer at scale.

2. Leverage synergies arising from integrated products and services under a unified brand

We believe that our broad based and integrated financial solutions offerings enable us to service our customers from "cradle to grave". Further, our key businesses offer us significant operational efficiencies and economies of scale across their large distribution networks and customer bases, which we believe can be leveraged to enhance our new product offerings as well and target accelerated growth in these segments.

Going forward, we propose to operate under a unified brand, "Aditya Birla Capital". We believe that this will be able to successfully leverage the strong brand recognition that the "Aditya Birla" name enjoys, and that the unified brand experience we will provide to our customers across our suite of financial services will enhance the customer experience. This will enable us to more easily cross-sell new products to our existing customers, as well as drive new customer acquisition across our businesses.

3. Innovation and digitisation to improve customer experience

We believe that our focus on constant innovation in product development and premium customer servicing will contribute to our future growth. We seek to provide differentiated offerings through product innovation tailored to customer needs across our businesses. With the customer at the core of our strategy, we aim to ensure customer retention and expansion by not only providing customised products and services but also by understanding the needs of our customers for which we engage with them through various means across our businesses. Thus, we seek to create a long lasting relation with our customers by providing them quality service and user experience. We have also innovated and launched various online platforms and digital services, portals, mobile applications and aggregation services to provide our customer ease of access to suite of financial services.

4. Pursue selective acquisitions, partnership opportunities and inorganic growth

We believe that the financial services market in India offers opportunities for inorganic growth in order to complement our existing businesses, and we will actively seek out such opportunities that, in our assessment, are aligned with our existing product and service lines. These opportunities could be by way of strategic acquisitions, joint ventures, new partner tie ups and asset purchases. We will pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

5. Continue to attract and develop talent

We currently have access to a talent pool of experienced professionals across our various businesses, who have significant experience across multiple industry sectors. Our senior management personnel in key businesses have over 20 years' experience in financial services. The quality of our leadership team has been instrumental in our growth story and we believe that the leadership team provides strategic direction towards growth and profitability.

We will seek to actively recruit and develop talent, with a focus on training and retention of key personnel. We believe that these steps will enable us to enhance our management capabilities and build bench strength in the longer term, while improving efficiency and profitability in the near term as well.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial statements derived from ABCL's audited consolidated financial statements as of, and for the years ended, March 31, 2017, 2016 and 2015. These financial statements have been prepared in accordance with the Indian GAAP and the Companies Act.

The summary financial statements of ABCL presented below should be read in conjunction with such financial statements, notes and annexures thereto included in the section "Financial Statements" on pages F-1 to F-216 of this Information Memorandum.

Further, set forth below are as follows:

(i) ABFL's summary financial statements derived from ABFL's audited financial statements as of, and for the years ended, March 31, 2017, 2016, 2015, 2014 and 2013.

(ii) ABHFL's summary financial statements derived from ABHFL's audited financial statements as of, and for the years ended, March 31, 2017, 2016, and 2015.

(iii) ABSLAMC's summary financial statements derived from ABSLAMC's audited consolidated financial statements as of, and for the years ended, March 31, 2017, 2016, 2015, 2014 and 2013.

(iv) ABSLI's summary financial statements derived from ABSLI's audited consolidated financial statements as of, and for the years ended, March 31, 2017, 2016, 2015, 2014 and 2013.

These financial statements have been prepared in accordance with the applicable accounting standards and the Companies Act. The summary financial statements presented below should be read in conjunction with such financial statements, the audit reports, notes and annexures thereto which are available at http://adityabirlacapital.com/Pages/Investors/FinReports.aspx.

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ABCL – Summary Consolidated Statement of Assets and Liabilities

(*in ₹ million*)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	12,322	25,336	19,146
Reserves and Surplus	53,632	19,212	10,556
Equity Attributable to Owners of the Parent	**65,954**	**44,548**	**29,702**
Non Controlling Interest	19,518	7,557	3,069
Total Equity - (A)	**85,472**	**52,105**	**32,771**
Preference Share issued by Subsidiary Companies (B)	147	147	4,277
Non-Current Liabilities			
Long-Term Borrowings	1,81,935	1,43,466	87,987
Deferred Tax Liabilities (Net)	0	0	0
Other Long-Term Liabilities	1,775	2,027	398
Long-Term Provisions	2,860	1,790	1,400
Policyholders' Fund	3,21,997	-	-
Fund for Discontinued Policies	3,562	-	-
Fund for Future Appropriations	42	-	-
Sub Total - (C)	**5,12,171**	**1,47,283**	**89,785**
Current Liabilities			
Short-Term Borrowings	1,16,858	71,745	41,062
Short-Term Provisions	2,525	1,122	589
Trade Payables	7,800	2,070	1,841
Other Current Liabilities	48,046	25,942	26,096
Policyholders' Fund	5,442	-	-
Fund for Discontinued Policies	2,818	-	-
Fund for Future Appropriations	27	-	-
Sub Total - (D)	**1,83,516**	**1,00,879**	**69,588**
TOTAL (A+B+C+D)	**7,81,307**	**3,00,415**	**1,96,421**
ASSETS			
-			
Non-Current Assets			
Fixed Assets			
Tangible Assets	1,069	418	289
Intangible Assets including goodwill on consolidation	6,707	2,719	2,556
Capital Work-in-Progress	11	0	1
Intangible Assets under Development	333	112	79
Non-Current Investments			
Investments of Life Insurance Business	90,019	-	-
Investments of Health Insurance Business	1,871	-	-
Other Investment	3,912	3,666	3,318
Assets Held to Cover Linked Liabilities of Life Insurance Business	2,20,870	-	-
Deferred Tax Assets(Net)	1,068	993	642

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Long-term Loans and Advances	2,87,358	1,86,026	97,118
Other Non-Current Assets	422	11	10
Sub Total (E)	**6,13,641**	**1,93,946**	**1,04,013**
Current Assets			
Current Investments			
Investments of Life Insurance Business	4,774	-	-
Investments of Health Insurance Business	418	-	-
Other Investment	21,292	13,268	8,554
Assets Held to Cover Linked Liabilities of Life Insurance Business	28,007	-	-
Trade Receivable	3,693	1,786	1,242
Cash and Bank Balances	8,037	1,137	2,809
Short-Term Loans and Advances	94,378	86,417	78,257
Other Current Assets	7,066	3,862	1,546
Sub Total (F)	**1,67,665**	**1,06,470**	**92,409**
TOTAL (E+F)	**7,81,307**	**3,00,415**	**1,96,421**

ABCL – Summary Consolidated Statement of Profits and Losses

(*in ₹ million*)

Particulars	For the fiscal year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
INCOME			
Revenue from operations	58,057	35,980	26,640
Other Income	802	712	479
TOTAL REVENUE (A)	**58,859**	**36,691**	**27,119**
EXPENSES			
Employee Benefit Expense	7,172	5,012	4,261
Provision for Doubtful Debts & contingencies (incl bad debts)	1,175	939	659
Depreciation & Amortisation	432	329	375
Interest Expenses and Other Charges/ relating to lending activity of Subsidiaries	22,882	15,999	11,053
Finance Cost	108	88	53
Benefit Paid (Insurance Business)	4,162	-	-
Change in valuation of liability in respect of life insurance policies in force	2,768	-	-
Other Expenses	9,502	5,637	5,115
TOTAL EXPENSES (B)	**48,201**	**28,004**	**21,516**
Exceptional Items-Impairment of Goodwill	**0**	**0**	**414**
PROFIT BEFORE TAX FOR THE YEAR (A-B)	**10,658**	**8,687**	**5,189**
Less :			
-Current Tax	3,805	3,729	2,254
-Write Back of Excess Provision for Tax	-4	-4	-
-Short/(Excess) Provision for Tax of Earlier Years (Net)	20	72	8
-Deferred Tax	-75	-351	-161
PROFIT AFTER TAX FOR THE YEAR	**6,912**	**5,241**	**3,088**
Profit for the Year Attributable to			
Owners of Parent	5,300	3,805	2,392
Minority Interest	1,612	1,436	696
Profit for the Year	**6,912**	**5,241**	**3,088**

ABCL - Summary Consolidated Cash Flow Statement

(amount in ₹ million)

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
CASH FLOW FROM OPERATING ACTIVITIES (A)			
Profit before tax Adjustment for non-cash item/items, to be disclosed separately	**10657**	**8,686**	**5,190**
Add:			
Exceptional Item	0	0	414
Depreciation and Amortisation Expenses	373	329	375
(Gain)/Loss on Sale of Investments	-569	-129	-343
(Gain)/Loss on Fixed Assets Sold	-1	-1	-3
Interest income – others	-162	-314	-94
Interest Expense Other Than NBFC	108	88	53
General Contingency Provision written back	0	198	0
Foreign Currency Translation Reserve	(4)	4	0
Change in valuation of liability in respect of life insurance policies in force	5,420	0	0
Dividend Income	-14	-27	-22
Total	**5,151**	**148**	**380**
Operating Profits before Changes in Working Capital Total (A)	**15,808**	**8,834**	**5,570**
Adjustment for Changes in working capital and provisions **(B)**			
Decrease/(Increase) in Loans and Advances	-111021	-99,232	-58,964
Decrease/(Increase) in Other Assets	75	-25	-149
Increase/(Decrease) in Trade Payables	(360)	229	571
Increase/(Decrease) in Other Liabilities	25033	5,710	2,171
Increase/(Decrease) in Provisions	2008	401	332
Decrease/(Increase) in trade and Other Receivables	-964	-544	-39
Decrease/(Increase) in Stock of Securities	-2526	1,374	-3,509
Total	**-87,755**	**-92,087**	**-59,587**
Cash generated from operations Total (A+B)	**-71,947**	**-83,253**	**-54,017**
Taxes Paid (net of refunds) (C)	-3863	-3,721	-2,261
NET CASH USED IN OPERATING ACTIVITIES (A+B+C)	**-75,810**	**-86,974**	**-56,278**
CASH FLOW USED IN INVESTING ACTIVITIES (D)			
Sale/(Purchase) of Current Investments (Net)	-8425	-5,958	1,327
Purchase of fixed assets	-1169	-481	-364
Sale of fixed assets	42	7	13
Acquisition of Additional Shares/Investment in Subsidiary	-12,270	-448	-725
Interest Received – Others	156	350	61
ICDs (Net)	90	-30	-290
Redemption of Long Term Investment	674	0	0
Bank Deposits more than 3 months (Net)	-112	157	-387
Dividend Income	14	27	22
NET CASH FROM INVESTING ACTIVITIES Total (D)	**-21,000**	**-6,376**	**-343**
CASH FLOW FROM FINANCING ACTIVITIES (E)			
Increase/(Decrease) in Borrowings	80,763	81,974	51,212
Proceeds of Preference Shares (Including shares issued by subsidiary)	700	7,550	7,161
Redemption of preference share	-14,711	0	0
Proceeds from Issue of Equity Shares (Including Securities Premium)	28,781	2,500	0
Dividend paid by subsidiaries to MI	-96	-79	-58

Particulars	31-Mar-17	31-Mar-16	31-Mar-15
Dividend	-8	-8	0
Dividend Tax	-70	-14	-9
Interest paid (Other than NBFC)	-108	-86	-54
Dilution of stake in subsidiaries	3,344	0	0
NET CASH FROM FINANCING ACTIVITIES Total (E)	**98,595**	**91,837**	**58,252**
NET CHANGES IN CASH & CASH EQUIVALENTS	**1,785**	**-1,513**	**1,631**
(A+B+C)			
Cash And Cash Equivalents at the beginning of the year	553	2,066	436
Add : Cash and cash equivalents of a Subsidiary on acquisition thereof	4,991	0	0
Cash And Cash Equivalents at the end of the year	7,329	553	2,067
NET INCREASE OF CASH OR CASH EQUIVALENTS DURING THE YEAR	**1,785**	**-1,513**	**1,631**

Note: The group is preparing Consolidated Financial Statement for first time and is availing exemption from presenting comparatives for the cash flow statement given in transitional provision to Accounting Standard AS-21, “Consolidated Financial Statement” issued by the Institute of Chartered Accountants of India.

ABFL – Summary Statement of Assets and Liabilities

(*in ₹ million*)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	6,374.09	7,445.66	10,503.60	9,156.37	7,462.90
Reserves and Surplus	43,539.18	29,512.38	15,344.75	8,535.91	3,323.17
	49,913.27	**36,958.04**	**25,848.35**	**17,692.28**	**10,786.07**
Non-Current Liabilities					
Long-Term Borrowings	159,466.35	131,021.37	87,862.81	47,394.86	32,156.79
Deferred Tax Liabilities (Net)	-	-	-	-	-
Other Long-Term Liabilities	1,596.56	1,548.39	182.03	829.45	358.95
Long-Term Provisions	2,044.04	1,652.74	1,366.11	999.31	401.06
	163,106.95	**134,222.50**	**89,410.95**	**49,223.62**	**32,916.80**
Current Liabilities					
Short-Term Borrowings	99,125.15	68,183.25	39,448.56	39,160.50	31,240.19
Short-Term Provisions	727.62	830.97	407.39	401.84	257.08
Trade Payables	1,063.60	513.09	419.15	285.76	210.06
Other Current Liabilities	40,262.00	21,531.64	24,034.19	12,292.45	6,617.24
	141,178.37	**91,058.95**	**64,309.29**	**52,140.55**	**38,324.57**
TOTAL	**354,198.59**	**262,239.49**	**179,568.59**	**119,056.45**	**82,027.44**
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	139.05	95.50	78.85	37.23	38.57
Intangible Assets	360.81	39.63	49.46	68.71	40.05
Capital Work-in-Progress	66.14	71.20	52.67	27.96	37.43
Non-Current Investments	658.70	276.02	156.44	174.70	930.36
Deferred Tax Assets (Net)	767.89	747.51	574.01	423.98	178.93
Long-term Loans and Advances	245,257.05	166,110.71	94,457.95	53,469.88	34,508.31
Other Non-Current Assets	-	-	-	-	
	247,249.64	**167,340.57**	**95,369.38**	**54,202.46**	**35,733.65**
Current Assets					
Current Investments	13,769.85	7,952.00	4,918.78	3,027.83	5,932.13
Cash and Bank Balances	1,357.18	11.25	1,589.20	0.19	0.79
Short-Term Loans and Advances	87,656.30	83,516.26	76,530.43	60,929.74	39,386.09
Other Current Assets	4,047.04	3,361.04	1,157.37	893.01	922.88
Trade Receivable	118.58	58.37	3.43	3.22	51.90
	106,948.95	**94,898.92**	**84,199.21**	**64,853.99**	**46,293.79**
TOTAL	**354,198.59**	**262,239.49**	**179,568.59**	**119,056.45**	**82,027.44**

ABFL - Summary Statement of Profits and Losses

(*in ₹ million*)

Particulars	For the fiscal year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
INCOME					
Revenue from operations	34,246.96	24,632.80	17,761.73	12,011.62	7,150.77
TOTAL REVENUE	**34,266.57**	**24,866.04**	**17,804.50**	**12,031.34**	**7,200.08**
EXPENSES					
Interest Expenses and Other Charges	20,770.61	15,435.81	11,064.24	7,440.17	4,391.68
Employee Benefit Expense	2,498.50	1,418.59	1,135.50	828.19	614.43
Office Operating Expenses	-	-	-	-	-
Other Expenses	1,542.11	810.08	790.39	532.15	371.43
Depreciation & Amortisation	146.89	76.01	67.09	41.15	25.24
Provision for Doubtful Debts & contingencies	989.14	861.99	638.82	676.46	325.83
Bad Debts Written Off/Business Loss	-	-	-	-	-
TOTAL EXPENSES	**25,947.25**	**18,602.48**	**13,696.04**	**9,518.12**	**5,728.61**
PROFIT BEFORE TAX FOR THE YEAR	**8,319.32**	**6,263.56**	**4,108.46**	**2,513.22**	**1,471.47**
Less: Provision for Taxation					
-Current Tax	2,487.16	2,351.05	1,551.72	1,101.13	575.49
-Deferred Tax (Net)	(20.37)	(173.50)	(150.03)	(245.05)	(107.05)
PROFIT AFTER TAX FOR THE YEAR	**5,852.5.4**	**4,086.01**	**2,706.76**	**1,657.14**	**1,003.04**

ABFL - Summary Cash Flow Statement

(*in ₹ million*)

Particulars		For the fiscal year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES						
Profit before tax Adjustment for non-cash item/items, to be disclosed separately Add: Depreciation		8,319.33	6,263.56	4,108.46	2,513.21	1,471.47
Add: Depreciation		146.89	76.01	67.09	41.15	25.24
Loss/(Profit) on sale of fixed assets/investments		(87.79)	(7.87)	(40.37)	(15.22)	(7.94)
Provision for Doubtful Debts & Contingencies		1010.81	837.19	429.94	692.32	325.52
Bad debts written off/ Business Loss		-	-	-	-	-
Dividend income		(0.56)	(0.84)	(0.65)	(0.68)	(0.89)
Interest income on investments		(344.92)	(206.81)	-	-	-
		724.43	697.68	456.01	717.57	341.94
Operating Profits before Changes in Working Capital		9,043.76	6,961.24	4,564.47	3,230.78	1,813.41
Adjustment for Changes in working capital and provisions						
Increase/ (Decrease) in Trade Payables		3,666.54	2,697.54	2,516.92	1,576.23	663.76
Increase/ (Decrease) in Trade Receivable		(60.21)	(54.94)	(0.20)	48.68	(43.84)
(Increase)/ Decrease in Loans & advances		(83,793.39)	(78,825.37)	(56,613.55)	(40,509.09)	(39,270.45)
(Increase)/ Decrease in Other Assets		(685.99)	(2,203.27)	(265.37)	29.92	(689.15)
Investments (Net)		(2,525.85)	1,373.67	(3,508.42)	4,522.96	(4,082.06)
		(83,398.90)	(77,012.37)	(57,870.62)	(34,331.20)	(43,421.75)
Cash generated from operations		(74,355.11)	(70,051.13)	(53,306.15)	(31,100.41)	(41,608.34)
Taxes Paid (net of refunds)		(2,676.37)	(2,231.01)	(1,580.72)	(1,042.15)	(541.14)
CSR expenses						
A. NET CASH USED IN OPERATING ACTIVITIES		(77,031.48)	(72,282.14)	(54,886.87)	(32,142.56)	(42,149.48)
CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of Fixed Assets/securities		(8,845.00)	(4,952.29)	(351.81)	(1,682.63)	(2,778.45)
Sale of Fixed Assets/securities		4,742.27	272.52	1,910.94	771.26	2,240.60
Dividend received/Interest income on investments		345.47	207.65	0 .65	0.68	0.89
B. NET CASH FROM INVESTING ACTIVITIES		(3,757.26)	(4,472.12)	1,559.78	(910.69)	(536.96)
CASH FLOW FROM FINANCING ACTIVITIES		-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	-
	-Unsecured Loans (net)	75,041.85	68,152.53	939,460.70	297,478.00	179,837.57
Repayment of borrowings	-Bonds	-	-	(889,993.91)	(269,674.58)	(140,829.31)
	-Banks	-	-	-	-	-
Proceeds from issue of Share Capital		563.30	557.50	1,347.22	1,693.48	2,653.25
Share Premium Received		6,539.39	6,467.00	4,102.78	3,556.30	846.82
Share Premium Utilised						
Dividend paid (including dividend distribution tax)		(9.84)	(0.72)	(0.70)	(0.55)	(0.35)
C. NET CASH FROM FINANCING		82,134.70	75,176.31	54,916.09	33,052.65	42,507.98

Particulars	For the fiscal year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
ACTIVITIES					
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	1,345.94	(1,577.95)	1,589.00	(0.60)	(178.45)
Cash or Cash equivalents (Opening Balance) Cash or Cash equivalents (Closing Balance)	11.25	1,589.20	0.20	0.79	179.24
NET INCREASE OF CASH OR CASH EQUIVALENTS DURING THE YEAR	1,357.18	11.25	1,589.20	0.19	0.79

ABHFL – Summary Statement of Assets and Liabilities

(*in ₹ million*)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	3,330.50	2,392.50	500.50	100.50	20.50
Reserves and Surplus	344.34	-344.89	-42.70	8.55	2.55
Non-Current Liabilities					
Long-Term Borrowings	24,160.00	12,400.00	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	-	-
Other Long-Term Liabilities	56.05	0.44	-	-	-
Long-Term Provisions	230.18	100.97	7.02	-	-
Current Liabilities					
Short-Term Borrowings	11,708.69	2,654.70	922.88	-	-
Short-Term Provisions	40.60	24.57	7.50	0.33	0.16
Trade Payables	197.34	128.53	33.14	0.01	0.01
Other Current Liabilities	1,779.09	2,611.72	31.24	0.01	0.01
TOTAL	**41,846.79**	**19,968.54**	**1,459.58**	**109.42**	**23.23**
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	81.88	68.03	7.72	-	-
Intangible Assets	12.93	7.47	0.95	-	-
Capital Work-in-Progress	2.97	3.23	9.44	-	-
Non-Current Investments	-	-	-	-	-
Deferred Tax Assets (Net)	-	-	-	-	-
Long-term Loans and Advances	39,394.49	18,780.31	1,355.41	-	-
Other Non-Current Assets					
Current Assets					
Current Investments	-	-	-	-	-
Cash and Bank Balances	5.17	5.10	0.00	108.35	23.08
Short-Term Loans and Advances	2,122.95	1,009.49	78.90	-	-
Other Current Assets	226.41	94.91	7.16	1.07	0.15
TOTAL	**41,846.79**	**19,968.54**	**1,459.58**	**109.42**	**23.23**

ABHFL - Summary Statement of Profits and Losses

(*in ₹ million*)

Particulars	For the fiscal year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
INCOME					
Revenue from operations	3,146.98	1,014.47	26.71	-	-
Other income	-	0.07	15.12	8.91	1.62
TOTAL REVENUE	**3,146.98**	**1,014.54**	**41.83**	**8.91**	**1.62**
EXPENSES					
Interest Expenses and Other Charges	2,112.10	596.47	6.37	-	-
Employee Benefit Expense	512.12	280.63	43.69	-	-
Office Operating Expenses					
Other Expenses	512.55	328.10	35.26	0.18	0.03
Depreciation & Amortisation	29.96	12.29	0.52	-	-
Provision for Doubtful Debts & contingencies	135.21	99.24	7.51	-	-
Bad Debts Written Off/Business Loss	-	-	-	-	-
TOTAL EXPENSES	**3,301.94**	**1,316.73**	**93.35**	**0.18**	**0.03**
PROFIT BEFORE TAX FOR THE YEAR	**-154.97**	**-302.19**	**-51.52**	**8.73**	**1.59**
Less: Provision for Taxation					
-Current Tax	-	-	-	2.72	0.49
-Deferred Tax (Net)	-	-	-0.24	-	
PROFIT AFTER TAX FOR THE YEAR	**-154.97**	**-302.19**	**-51.26**	**6.01**	**1.10**

ABHFL - Summary Cash Flow Statement

(in ₹ million)

Particulars	For the fiscal year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES					
Profit before tax	-154.97	-302.19	-51.52	8.73	1.59
Adjustment for non-cash item/items, to be disclosed separately					
Add: Depreciation	29.96	12.29	0.52	-	-
Loss/(Profit) on sale of fixed assets	-	-	-	-	
Provision for Doubtful Debts & Contingencies	135.21	99.24	7.52	-	
Bad debts written off/ Business Loss	-	-	-	-	
Provision for leave encashment, Gratuity & others	17.32	186.56	7.55	-	-
Interest income & profit on sale of mutual funds	-	-	-	-8.91	-1.62
Operating Profits before Changes in Working Capital	27.52	-4.10	-35.93	-0.18	-0.03
Adjustment for Changes in working capital and provisions					
Increase/ (Decrease) in Trade Payables					
Increase/ (Decrease) in Long-Term Provision					
Increase/ (Decrease) in Short-Term Provision					
Increase/ (Decrease) in Other Current Liabilities	-716.64	2,673.83	63.55	-0.01	-0.02
Increase/ (Decrease) in Other Long-Term Liabilities					
(Increase)/ Decrease in Long-Term Loans & advances	-21,684.18	-18,348.50	-1,433.40	-	-
(Increase)/ Decrease in Short-Term Loans & advances					
(Increase)/ Decrease in Other Non-Current Assets					
(Increase)/ Decrease in Other Current Assets	-131.49	-87.75	-6.09	-	-
Investments (Net)					
(Increase)/ Decrease in Other Bank Balances					
Cash generated from operations	**-22,504.80**	**-15,766.52**	**-1,411.87**	**-0.19**	**-0.05**
Taxes Paid (net of refunds)	-53.04	-6.99	-1.01	-1.66	-0.49
CSR expenses	-				
A. NET CASH USED IN OPERATING ACTIVITIES	**-22,557.84**	**-15,773.51**	**-1,412.88**	**-1.83**	**-0.54**
CASH FLOW USED IN INVESTING ACTIVITIES					
Purchase of Fixed Assets	-38.29	-72.91	-14.54	-	
Sale of Fixed Assets	-	-	-	-	
Sales/ (purchase) of investments	-	-	-	-	0.65
Profit on sale of mutual fund	-	-	-	-	0.02
Inter corporate deposit (given)/ received back	-	-	-	-	21.10

Particulars		For the fiscal year ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Interest income		-	-	-	7.10	1.82
B. NET CASH FROM INVESTING ACTIVITIES		**-38.29**	**-72.91**	**-14.54**	**7.10**	**23.59**
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from borrowings	-Bonds	6,660.00	250.00	-	-	-
	-Banks	58,153.99	28,045.52	1,369.07	-	-
	-Unsecured Loans (net)	-	-	-	-	-
Repayment of borrowings	-Bonds	-	-	-	-	-
	-Banks	-44,000.00	-14,336.00	-450.00	-	-
Proceeds from issue of Share Capital		938.00	1,892.00	400.00	80.00	-
Share Premium Received		844.20	-	-	-	-
Share Premium Utilised		-	-	-	-	-
Dividend paid (including dividend distribution tax)		-	-	-	-	-
C. NET CASH FROM FINANCING ACTIVITIES		**22,596.19**	**15,851.52**	**1,319.07**	**80.00**	**-**
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)		**0.07**	**5.10**	**-108.35**	**85.27**	**23.05**
Cash or Cash equivalents (Opening Balance)		5.10	0.00	108.35	23.08	0.03
Cash or Cash equivalents (Closing Balance)		5.17	5.10	0.00	108.35	23.08
NET INCREASE OF CASH OR CASH EQUIVALENTS DURING THE YEAR		**0.07**	**5.10**	**-108.35**	**85.27**	**23.05**

ABSLAMC – Summary Consolidated Statement of Assets and Liabilities

(*in ₹ million*)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	180.00	180.00	180.00	180.00	180.00
Reserves and Surplus	9,235.52	7,613.89	5,578.99	4,345.47	3,387.77
	9,415.52	**7,793.89**	**5,758.99**	**4,525.47**	**3,567.77**
Non-Current Liabilities					
Long-Term Borrowings	-	-	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	-	-
Other Long-Term Liabilities	13.77	9.54	10.42	12.83	12.14
Long-Term Provisions	515.13	450.65	188.80	-	4.21
	528.90	**460.18**	**199.22**	**12.83**	**16.35**
Current Liabilities					
Short-Term Borrowings	-	-	-	-	-
Short-Term Provisions	656.59	531.55	456.79	408.74	463.93
Trade Payables	463.67	309.63	195.03	204.61	582.91
Other Current Liabilities	933.29	338.56	360.19	484.20	76.09
	2,053.54	**1,179.74**	**1,012.01**	**1,097.54**	**1,122.93**
TOTAL	**11,997.97**	**9,433.81**	**6,970.21**	**5,635.84**	**4,707.05**
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	114.56	91.30	75.09	54.87	81.74
Intangible Assets	51.41	40.74	81.87	87.33	138.95
Capital Work-in-Progress	18.90	10.36	-	16.82	-
Non-Current Investments	2,334.78	1,811.97	1,291.39	511.66	11.66
Deferred Tax Assets (Net)	264.83	220.56	58.60	44.66	28.69
Long-term Loans and Advances	715.96	740.35	1,045.61	1,086.93	401.73
Other Non-Current Assets	-	-	-	-	-
	3,500.45	**2,915.28**	**2,552.56**	**1,802.29**	**662.77**
Current Assets					
Current Investments	6,671.95	4,829.73	3,044.92	2,765.93	2,128.68
Cash and Bank Balances	259.14	258.40	214.60	145.16	140.57
Short-Term Loans and Advances	908.54	1,060.03	884.05	650.21	1,155.87
Trade receivables	568.15	193.74	180.75	166.04	165.10
Other Current Assets	89.74	176.63	93.33	106.21	454.06
	8,497.52	**6,518.53**	**4,417.65**	**3,833.55**	**4,044.28**
TOTAL	**11,997.97**	**9,433.81**	**6,970.21**	**5,635.84**	**4,707.05**

ABSLAMC - Summary Consolidated Statement of Profits and Losses

(*in ₹ million*)

Particulars	For the fiscal year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
INCOME					
Income from operations	9,684.91	7,651.94	5,960.38	5,018.09	4,052.37
Other Income	459.73	105.98	410.22	217.38	354.77
TOTAL REVENUE	**10,144.63**	**7,757.92**	**6,370.60**	**5,235.47**	**4,407.14**
EXPENSES					
Interest Expenses and Other Charges	-	-	-	-	6.49
Employee Benefit Expense	1,976.64	1,736.14	1,518.80	1,196.24	1,078.89
Office Operating Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Administrative and other expenses	1,237.99	1,002.75	789.64	725.64	696.23
Brokerage and marketing expenses	3,481.06	1,793.97	2,139.64	1,806.33	1,437.62
Depreciation & Amortisation	78.26	89.25	106.55	104.27	113.72
Provision for Doubtful Debts & contingencies	-	-	-	-	-
Bad Debts Written Off/Business Loss	-	-	-	-	-
TOTAL EXPENSES	**6,773.95**	**4,622.10**	**4,554.64**	**3,832.49**	**3,332.95**
PROFIT BEFORE TAX FOR THE YEAR	**3,370.68**	**3,135.82**	**1,815.96**	**1,402.98**	**1,074.18**
Less: Provision for Taxation					
-Current Tax	1,141.56	1,206.61	597.04	468.08	341.64
-Deferred Tax (Net)	(44.28)	(161.95)	(13.94)	(15.98)	0.57
(Excess)/Short Provision for Tax of earlier years	41.28	64.17	-	4.85	(0.47)
PROFIT AFTER TAX FOR THE YEAR	**2,232.12**	**2,026.98**	**1,232.85**	**946.02**	**732.44**

ABSLAMC - Summary Consolidated Cash Flow Statement

(in ₹ million)

Particulars	For the fiscal year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES					
Profit before tax	**3,370.68**	**3,135.82**	**1,815.96**	**1,402.98**	**1,074.18**
Adjustment for non-cash item/items, to be disclosed separately					
Add: Depreciation	78.26	89.25	106.55	104.27	113.72
Loss/(Profit) on sale of investment	(411.11)	(88.32)	(273.28)	(70.90)	(90.63)
Dividend on Investments	-	(12.29)	(11.27)	(49.38)	(56.24)
Provision for Doubtful Debts & Contingencies	-	-	-	-	-
Bad debts written off/ Business Loss	-	-	-	-	-
Foreign Currency Translation Reserve	(8.65)	7.92	0.66	11.68	(6.76)
Profit on sale of Fixed Assets (net)	(0.44)	(0.73)	(0.85)	(2.87)	-
Investment in 0.01% Non-Convert Cumu Redeemable Pref Shares	-	-	-	-	40.68
Change in carrying value of current investment	(4.23)	4.25	-	-	-
Interest on income tax refund	(28.38)	-	-	-	-
Interest on Fixed Deposits / ICD's	(2.18)	(2.59)	(51.29)	(77.79)	(113.05)
	(376.73)	**(2.52)**	**(229.49)**	**(85.00)**	**(112.28)**
Operating Profits before Changes in Working Capital	**2,993.95**	**3,133.30**	**1,586.47**	**1,317.98**	**961.91**
Adjustment for Changes in working capital and provisions					
Increase/ (Decrease) in Trade Payables	-	-	-	-	-
Increase/ (Decrease) in Long-Term Provision	-	-	-	-	-
Increase/ (Decrease) in Short-Term Provision	-	-	-	-	-
Increase/ (Decrease) in Non-current liabilities	68.72	260.96	186.39	(3.53)	(92.83)
Increase/ (Decrease) in Current Liabilities	873.81	167.73	(85.53)	(20.75)	279.26
Increase/ (Decrease) in Other Current Liabilities	-	-	-	-	-
Increase/ (Decrease) in Other Long-Term Liabilities	-	-	-	-	-
(Increase)/ Decrease in Trade receivables	(374.40)	(13.00)	(14.71)	(0.94)	(75.21)
(Increase)/ Decrease in Long-Term Loans & advances	(55.16)	272.31	(37.56)	(646.55)	739.22
(Increase)/ Decrease in Short-Term Loans & advances	151.48	(175.97)	(158.31)	505.65	(782.16)
(Increase)/ Decrease in Other Non-Current Assets	-	-	-	-	-
(Increase)/ Decrease in Other Current Assets	86.88	(83.30)	12.88	343.22	(103.71)
Investments (Net)	-	-	-	-	-
(Increase)/ Decrease in Other Bank Balances	-	-	-	-	-
(Increase)/ Decrease in Non current deposit	-	-	-	-	19.53
	751.33	428.74	(96.84)	177.11	(15.90)
Cash generated from operations	**3,745.28**	**3,562.04**	**1,489.63**	**1,495.09**	**946.00**
Taxes Paid (net of refunds)	(1,066.26)	(1,251.43)	(580.17)	(514.25)	(447.67)
CSR expenses	-	-	-	-	-

Particulars		For the fiscal year ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A. NET CASH USED IN OPERATING ACTIVITIES		**2,679.02**	**2,310.61**	**909.45**	**980.83**	**498.33**
CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of Fixed Assets		(131.01)	(61.83)	(119.13)	(41.31)	(44.14)
Sale of Fixed Assets		2.07	1.46	1.98	4.24	6.80
Interest on Fixed Deposits / ICD's		2.18	2.59	51.29	77.79	113.05
Dividend on Other Investments		-	12.29	11.27	49.38	56.24
Purchase of Investments		(22,842.81)	(7,625.31)	(7,669.83)	(7,892.93)	(8,346.37)
Sale of Investments		20,893.12	5,403.99	6,884.40	6,826.59	7,677.11
B. NET CASH FROM INVESTING ACTIVITIES		**(2,076.44)**	**(2,266.81)**	**(840.02)**	**(976.24)**	**(537.30)**
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from borrowings	-Bonds	-	-	-	-	-
	-Banks	-	-	-	-	-
	-Unsecured Loans (net)	-	-	-	-	-
Repayment of borrowings	-Bonds	-	-	-	-	-
	-Banks	-	-	-	-	-
Proceeds from issue of Share Capital		-	-	-	-	-
Share Premium Received		-	-	-	-	-
Foreign exchange difference on translation of Foreign currency cash and cash eq		-	-	-	-	6.76
Share Premium Utilised		-	-	-	-	-
Dividend paid (including dividend distribution tax)		(601.84)	-	-	-	-
C. NET CASH FROM FINANCING ACTIVITIES		**(601.84)**	**-**	**-**	**-**	**6.76**
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)		0.74	43.80	69.44	4.59	(32.22)
Cash or Cash equivalents (Opening Balance)		258.40	214.60	145.16	140.57	172.79
Cash or Cash equivalents (Closing Balance)		259.14	258.40	214.60	145.16	140.57
NET INCREASE OF CASH OR CASH EQUIVALENTS DURING THE YEAR						

ABSLI – Summary Consolidated Statement of Assets and Liabilities

(*in ₹ million*)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	19,012	19,012	19,012	19,012	19,695
Reserves and Surplus	-965	-2,198	-3,597	-6,446	-7,219
	18,047	**16,814**	**15,415**	**12,566**	**12,476**
Non-Current Liabilities					
Other Long-Term Liabilities	118	176	402	809	1,013
Long-Term Provisions	22	10	36	50	30
Policyholders' Fund	3,22,008	2,79,948	2,71,842	2,28,017	2,08,697
Fund for Discontinued Policies	1,234	3,381	5,242	4,754	2,050
Fund for Future Appropriations	42	80	104	185	668
	3,23,425	**2,83,594**	**2,77,626**	**2,33,815**	**2,12,458**
Current Liabilities					
Trade Payables	5,296	2,924	2,245	2,322	2,721
Other Current liabilities	2,356	5,170	4,174	4,655	4,840
Short-term provisions	230	223	243	1,071	1,583
Policyholders' Fund	5,343	5,141	7,384	2,070	2,920
Fund for Discontinued Policies	5,145	5,145	3,737	0	0
Fund for Future Appropriations	27	52	81	548	1,428
	18,397	**18,656**	**17,864**	**10,667**	**13,492**
TOTAL	**3,59,869**	**3,19,065**	**3,10,905**	**2,57,048**	**2,38,426**
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	322	318	221	251	237
Intangible Assets	346	235	198	99	93
Capital Work-in-Progress	7	0	46	28	0
Intangible assets under development	78	49	24	21	7
Non-Current Investments					
Shareholders investments	15,408	14,273	14,705	11,206	13,059
Policyholders investments	76,162	53,023	38,808	22,368	15,835
Deferred Tax Assets (Net)	0	0	0	0	0
Assets held to cover linked liabilities	2,20,870	2,04,058	2,15,649	1,70,099	1,62,157
Long-term Loans and Advances	1,447	1,042	862	790	687
Other Non-Current Assets	345	270	142	53	25
	3,14,985	**2,73,269**	**2,70,656**	**2,04,915**	**1,92,100**
Current Assets					
Current Investments					
Shareholders investments	624	2,775	818	2,086	648
Policyholders investments	4,151	3,796	2,504	5,640	6,380
Assets held to cover linked liabilities	28,008	30,170	29,363	36,348	31,214
Trade receivables	1,340	1,109	1,023	1,038	747
Cash and Bank Balances	4,992	4,822	4,312	5,077	5,442
Short-Term Loans and Advances	3,211	1,195	668	775	781
Other Current Assets	2,559	1,928	1,561	1,170	1,115
	44,884	**45,796**	**40,249**	**52,134**	**46,326**
TOTAL	**3,59,869**	**3,19,065**	**3,10,905**	**2,57,048**	**2,38,426**

ABSLI - Summary Consolidated Statement of Profits and Losses

(in ₹ million)

Particulars	For the Fiscal year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
INCOME					
Revenue from operations					
Net Revenue from Operations	54,344	53,115	49,664	45,258	49,031
Other Operating Income	43,708	3,964	3,009	1,761	1,336
Other Income	1,515	1,842	1,613	1,515	1,526
TOTAL REVENUE	**99,567**	**58,921**	**54,285**	**48,534**	**51,894**
EXPENSES					
Employee Benefit Expense	5,248	5,174	4,809	5,099	5,345
Change in valuation of liability in respect of life Insurance Policies in Force	39,545	3,480	2,437	-3,431	-3,240
Benefit Paid	46,537	42,480	37,719	36,655	36,586
Other Expenses	6,644	6,110	6,280	6,339	7,615
Depreciation & Amortisation	354	274	190	164	173
TOTAL EXPENSES	**98,328**	**57,518**	**51,435**	**44,826**	**46,478**
PROFIT BEFORE TAX FOR THE YEAR	**1,239**	**1,404**	**2,850**	**3,708**	**5,417**
Less: Provision for Taxation					
-Current Tax	-7	-1	0		
-Deferred Tax (Net)	0	0	0		
-Tax adjustment for earlier year	(2)	-	-		
PROFIT AFTER TAX FOR THE YEAR	**1,230**	**1,402**	**2,850**	**3,708**	**5,417**

ABSLI - Summary Consolidated Cash Flow Statement

(*in ₹ million*)

Particulars	For the fiscal year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES					
Premium received from policyholders, including advance receipts	**56,793**	**55,136**	**51,905**	**47,659**	**51,643**
Payments to the re-insurers, net of commissions and claims	(542)	(543)	(267)	(649)	(235)
Application money deposit & due to Policy holders	253	844	(281)	241	(135)
Payments of commission and brokerage	(2,425)	(2,177)	(2,367)	(2,372)	(2,990)
Payments of other operating expenses	(10,919)	(5,616)	(8,963)	(11,155)	(12,000)
Payments of claims	(50,111)	(43,573)	(39,194)	(37,882)	(36,580)
Deposits & others	(290)	(26)	38	69	(5)
Other receipts	429	297	312	335	309
Income taxes paid (Net)	(3)	(2)	(2)	-	-
Service tax paid	(845)	(963)	(1,204)	-	-
Net cash Inflow / (outflow) from operating activities (A)	**(7,660)**	**3,378**	**(23)**	**(3,753)**	**7**
Taxes Paid (net of refunds)	-				
CSR expenses	-				
A. NET CASH USED IN OPERATING ACTIVITIES	**(7,660)**	**3,378**	**(23)**	**(3,753)**	**7**
CASH FLOW USED IN INVESTING ACTIVITIES					
Purchase of fixed assets	(4,422)	(454)	(328)	(309)	(172)
Proceeds from sale of fixed assets	9	7	8	18	11
Loan against Policies	(9)	(55)	(58)	24	1
Purchase of investment	(21,66,611)	(17,98,360)	(17,69,650)	(21,33,514)	-
Proceeds from sale of investment	21,61,816	17,80,752	17,57,481	21,30,149	-
Expenses related to investments	(12)	(10)	(12)	(12)	-
Interest received (net of tax deducted at source)	15,566	13,705	10,893	9,596	9,669
Dividend received	1,492	1,559	1,733	1,618	1,646
Decrease /(Increase) in investments	-	-	-	-	(7,475)
Cash held to cover linked liabilities	-	-	-	-	(1,276)
B. NET CASH FROM INVESTING ACTIVITIES	**7,830**	**(2,857)**	**67**	**7,569**	**2,404**
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from borrowings					
Repayment of borrowings					
Proceeds from issue of Share Capital	-	-	-	(683)	-
Share Premium Received	-	-	-	(2,117)	-
Share Premium Utilised	-	-	-	-	-
Dividend paid (including dividend	-	-	(819)	(1,383)	(3,274)

Particulars	For the fiscal year ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
distribution tax)					
C. NET CASH FROM FINANCING ACTIVITIES	**-**	**-**	**(819)**	**(4,183)**	**(3,274)**
NET CHANGES IN CASH & CASH EQUIVALENTS	**170**	**520**	**(774)**	**(366)**	**(862)**
(A+B+C)					
Cash and cash equivalents at beginning of the year	4,822	4,302	5,077	5,442	6,305
Cash and cash equivalents as at end of the year	**4,992**	**4,822**	**4,302**	**5,077**	**5,442**
Closing cash balance	4,992	4,822	4,302	5,077	5,442
Difference if any	(0)	(0)	1	0	(0)

GENERAL INFORMATION

Our Company was originally incorporated on October 15, 2007 under the Companies Act, 1956 as Aditya Birla Financial Services Private Limited with the Registrar of Companies, Maharashtra at Mumbai. The registered office of the Company was changed from the state of Maharashtra to the state of Gujarat i.e. within the jurisdiction of the Registrar of Companies, Ahmedabad, Gujarat with effect from December 15, 2009. The Company was converted to a public limited company and the name of the Company was changed to Aditya Birla Financial Services Limited and a fresh certificate of incorporation was issued on December 4, 2014 by Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**"). Further, the name of the Company was changed to Aditya Birla Capital Limited and a fresh certificate of incorporation was issued by the RoC on June 21, 2017. For further details, please see the section titled "History and Certain Corporate Matters" on page 122.

Our Company has been registered with the RBI as a Non-Banking Finance Company- Non-Deposit taking- Systemically Important Core Investment Company ("**CIC-ND-SI**") vide a certificate of registratation dated October 16, 2015. As per this certificate of registration, our Company has been permitted to carry on the business of CIC-ND-SI and has to abide by all the instructions by the RBI on CIC-ND-SI as collated in Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 vide circular no. DNBR. PD.003/03.10.119/2016-17 dated August 25, 2016 and the instructions issued thereafter. Under this certificate of registration, RBI has provided the following disclaimer:

a. Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

b. Neither is there any provision in law to keep, nor does the Company keep any part of the deposits with the Reserve Bank and by issuing the certificate of registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

Registered Office of our Company

Indian Rayon Compound
Veraval - 362266
Gujarat
Tel: +91 2876 243257
Fax: +91 2876 243220

Corporate Office of our Company

One Indiabulls Centre, Tower 1, 18th Floor
Jupiter Mill Compound, 841 S.B Marg
Elphinstone Road, Mumbai – 400013
Maharashtra, India
Tel: +91 22 4356 7000
Fax: +91 22 4356 7111

Details	Registration/ Identification number
Registration Number	058890
Corporate Identification Number	U67120GJ2007PLC058890

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat situated at the following address:

Registrar of Companies, Ahmedabad
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop, Naranpura
Ahmedabad - 380 013
Gujarat
Tel: +91 79 27437597
Fax: +91 79 27438371

Board of Directors

The following table sets out the current details regarding our Board as on the date of filing of this Information Memorandum:

Name	DIN	Designation	Address
Arun Adhikari	00591057	Independent Director	903, A Wing, 9th Floor, Vivarea Sane Guruji Marg, Mahalaxmi East, Mumbai- 400 011
Pinky Mehta	00020429	Whole-time Director and Chief Financial Officer	602, Shree Vishwas CHSL, 6th Floor, Sir P M Road, Near Kunku Wadi, Hanuman Temple, Vile Parle (East), Mumbai – 400 057
Puranam Hayagreeva Ravikumar	00280010	Independent Director	501, Yashowan Tower, Behind Mahim Post Office, T. H. Kataria Marg, Mahim – West, Mumbai- 400 016
Shriram Jagetiya	01638250	Non-Executive Director	302, Prathmesh Pooja, TPS Road, Near Shimpoli Ganapati Temple, Borivali (West), Mumbai – 400 092
Subhash Chandra Bhargava	00020021	Independent Director	1305, Dosti Aster (Dosti Acres), New Uphill Link Road, Off S.M. Road, Antop Hill, Wadala (East), Mumbai 400 037
Vijayalakshmi Rajaram Iyer	05242960	Independent Director	Flat no 1402, Barberry Towers, Nahar Amritshakti, Chandivilli, Andheri (East), Mumbai—400 072

For further details of the Board of Directors of our Company, please see the section titled "Our Management" on page 140.

Designated Stock Exchange

The designated stock exchange is BSE.

Demat Credit

Our Company has executed tripartite agreements with the Registrar and Share Transfer Agent and the Depositories i.e. NSDL and CDSL, respectively, for admitting our Company's Equity Shares in demat form and has been allotted ISIN-INE674K01013.

Company Secretary and Compliance Officer

Sailesh Kumar Daga is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Sailesh Kumar Daga
One Indiabulls Centre, Tower 1
18th Floor, Jupiter Mill Compound
841 S.B Marg, Elphinstone Road
Mumbai – 400 013
Tel: + 91 22 4356 7000
Fax: + 91 22 4356 7111
Email: sailesh.daga@adityabirla.com

Statutory Auditors

M/s. DELOITTE HASKINS & SELLS LLP
M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,

Elphinstone Road (West),
Mumbai – 400 013
Tel: +91 22 6185 4000
Fax: +91 22 6185 4101
Contact Person: Mr. Sanjiv V. Pilgaonkar

Registrar and Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B
Plot 31 and 32 Gachibowli
Financial District
Hyderabad 500 008
Tel: +91 40 6716 1505
Fax: +91 40 2331 1968
Email: adityacapital@karvy.com
Investor Grievance Email: adityacapital@karvy.com
Website: www.karvycomputershare.com
Contact Person: Mr. M R V Subrahmanyam
SEBI Registration: INR000000221

Legal Advisor to the Company

Cyril Amarchand Mangaldas
Peninsula Chambers, Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

CAPITAL STRUCTURE

Share capital of our Company prior to the consummation of the Scheme is as set forth below:

Particulars	Amount (in Rupees)
Authorised Share Capital	
400,00,00,000 Equity shares of ₹ 10/- each	4,000,00,00,000
Total	**4,000,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
1,28,06,40,000[(1)] Equity Shares of ₹ 10/- each fully paid-up	**1,280,64,00,000**

(1) In accordance with clause 20.13 of the Scheme, our Company issued and allotted 48,400,000 Equity Shares to P I Opportunities Fund – I on a private placement basis on June 30, 2017.

Share capital of our Company upon consummation of the Scheme is as set forth below:

Particulars	Amount (in ₹)
Authorised Share Capital	
400,00,00,000 Equity shares of ₹ 10 each	4,000,00,00,000
Total	**4,000,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
220,09,06,951[(1)] Equity Shares of ₹10 each fully paid-up	2,200,90,69,510[(1)(2)]

(1) Pursuant to the Scheme, 92,02,66,951 Equity Shares of ₹ 10 each of the Company were issued and allotted to the Shareholders of Grasim Industries Limited in the ratio of 7 : 5 on account of demerger on August 14, 2017.

1. Changes in the Authorised Capital

Set out below are the changes in the Authorised Capital since the incorporation of our Company.

Date of shareholders' resolution	Particulars
June 10, 2009	Authorized share capital of ₹21,000,000 divided into 2,100,000 Equity Shares of ₹10 each was increased to ₹500,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 2,500,000 preference shares of ₹100 each.
July 29, 2009	Authorized share capital of ₹500,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 2,500,000 preference shares of ₹100 each was reclassified into ₹500,000,000 divided into 50,000,000 Equity Shares of ₹10 each. Authorized share capital of ₹500,000,000 divided into 50,000,000 Equity Shares of ₹10 each was increased to ₹1,000,000,000 divided into 100,000,000 Equity Shares of ₹10 each.
September 9, 2009	Authorized share capital of ₹1,000,000,000 divided into 100,000,000 Equity Shares of ₹10 each was increased to ₹1,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each.
February 10, 2010	Authorized share capital of ₹1,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each was increased to ₹6,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 500,000,000 preference shares of ₹10 each.
March 29, 2011	Authorized share capital of ₹6,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 500,000,000 preference shares of ₹10 each was increased to ₹7,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 600,000,000 preference shares of ₹10 each.
September 28, 2011	Authorized share capital of ₹7,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 600,000,000 preference shares of ₹10 each was increased to ₹8,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 700,000,000

Date of shareholders' resolution	Particulars
	preference shares of ₹10 each.
August 9, 2012	Authorized share capital of ₹8,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 700,000,000 preference shares of ₹10 each was increased to ₹ 11,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 1,000,000,000 preference shares of ₹10 each.
April 26, 2013	Authorized share capital of ₹11,500,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 1,000,000,000 preference shares of ₹10 each was increased to ₹ 20,000,000,000 divided into 750,000,000 Equity Shares of ₹10 each and 1,250,000,000 preference shares of ₹10 each.
February 7, 2015	Authorized share capital of ₹20,000,000,000 divided into 750,000,000 Equity Shares of ₹10 each and 1,250,000,000 preference shares of ₹ 10 each was reclassified into ₹ 20,000,000,000 divided into 720,000,000 Equity Shares of ₹10 each and 1,280,000,000 preference shares of ₹10 each. Authorized share capital of ₹20,000,000,000 divided into 720,000,000 Equity Shares of ₹10 each and 1,280,000,000 preference shares of ₹ 10 each was increased to ₹ 30,000,000,000 divided into 800,000,000 Equity Shares of ₹10 each and 2,200,000,000 preference shares of ₹10 each.
March 2, 2016	Authorized share capital of ₹30,000,000,000 divided into 800,000,000 Equity Shares of ₹10 each and 2,200,000,000 preference shares of ₹10 each was increased to ₹ 40,000,000,000 divided into 1,000,000,000 Equity Shares of ₹10 each and 3,000,000,000 preference shares of ₹ 10 each.
February 20, 2017	Authorized share capital of ₹40,000,000,000 divided into 1,000,000,000 Equity Shares of ₹10 each and 3,000,000,000 preference shares of ₹10 each was increased to ₹40,000,000,000 divided into 2,200,000,000 Equity Shares of ₹10 each and 1,800,000,000 preference shares of ₹10 each.
June 12, 2017	Authorized share capital of ₹40,000,000,000 divided into 2,200,000,000 Equity Shares of ₹10 each and 1,800,000,000 preference shares of ₹10 each was reclassified into ₹40,000,000,000 divided into 4,000,000,000 Equity Shares of ₹10 each.

Notes to the Capital Structure

2. Share Capital History of our Company

a. The history of the Equity Share capital and the securities premium account of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face value (₹)	Premium (₹)	Issue Price per Equity Share (₹)	Consideration	Reason of Allotment	Cumulative No. of Equity Shares	Cumulative paid up capital (₹)
October 15, 2007	10,000	10	-	10	Cash	Initial Subscribers to the Memorandum of Association	10,000	100,000
November 5, 2008	2,050,000	10	-	10	Cash	Further Allotment on Rights basis	2,060,000	20,600,000
July 21, 2009	2,940,000	10	-	10	Cash	Further Allotment on	5,000,000	50,000,000

Date of Allotment	No. of Equity Shares Allotted	Face value (₹)	Premium (₹)	Issue Price per Equity Share (₹)	Consideration	Reason of Allotment	Cumulative No. of Equity Shares	Cumulative paid up capital (₹)
						Rights basis		
July 31, 2009	90,000,000	10	-	10	Cash	Further Allotment on Rights basis	95,000,000	950,000,000
September 15, 2009	15,000,000	10	-	10	Cash	Further Allotment on Rights basis	110,000,000	1,100,000,000
May 31, 2013	131,950,000	10	-	10	Cash	Further Allotment on Rights basis	241,950,000	2,419,500,000
September 25, 2013	118,010,000	10	-	10	Cash	Further Allotment on Rights basis	359,960,000	3,599,600,000
November 2, 2013	5,000,000	10	-	10	Cash	Further Allotment on Rights basis	364,960,000	3,649,600,000
December 27, 2013	25,000,000	10	-	10	Cash	Further Allotment on Rights basis	389,960,000	3,899,600,000
January 10, 2014	50,000,000	10	-	10	Cash	Further Allotment on Rights basis	439,960,000	4,399,600,000
January 31, 2014	150,050,000	10	-	10	Cash	Further Allotment on Rights basis	590,010,000	5,900,100,000
March 26, 2014	122,000,000	10	-	10	Cash	Further Allotment on Rights basis	712,010,000	7,120,100,000
March 27, 2014	5,000,000	10	-	10	Cash	Further Allotment on Rights basis	717,010,000	7,170,100,000
February 16, 2015	40,000,000	10	90	100	Conversion	Conversion of 0.01% 40 Cr Compulsorily Convertible Preference Shares (CCPS)	757,010,000	7,570,100,000
March 3, 2016	25,000,000	10	90	100	Cash	Private Placement	782,010,000	7,820,100,000
March 30, 2016	14,000,000	10	90	100	Conversion	Conversion of 0.01% 40 Cr Compulsorily Convertible Preference Shares (CCPS)	796,010,000	7,960,100,000
June 3, 2016	20,000,000	10	90	100	Cash	Rights issue	816,010,000	8,160,100,000
December 22, 2016	2,950,000	10	90	100	Conversion	Conversion of 0.01% - Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) into Equity Shares	818,960,000	8,189,600,000
February 16, 2017	2,700,000	10	90	100	Conversion	Conversion	821,660,000	8,216,600,000

Date of Allotment	No. of Equity Shares Allotted	Face value (₹)	Premium (₹)	Issue Price per Equity Share (₹)	Consideration	Reason of Allotment	Cumulative No. of Equity Shares	Cumulative paid up capital (₹)
						of 0.01% - Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) into Equity Shares		
February 16, 2017	10,000,000	10	90	100	Conversion	Conversion of 0.01% - Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) into Equity Shares	831,660,000	8,316,600,000
February 16, 2017	10,000,000	10	90	100	Conversion	Conversion of 0.01% - Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) into Equity Shares	841,660,000	8,416,600,000
February 16, 2017	8,000,000	10	90	100	Conversion	Conversion of 0.01% - Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) into Equity Shares	849,660,000	8,496,600,000
March 2, 2017	382,580,000	10	60	70	Cash	Further Allotment on Rights basis	1,232,240,000	12,322,400,000
June 30, 2017*	48,400,000	10	135.40	145.40	Cash	Private Placement	1,280,640,000	12,806,400,000
August 14, 2017#	920,266,951	10	-	Not applicable	Not applicable	Pursuant to the Scheme	2,200,906,951	22,009,069,510

* *In accordance with clause 20.13 of the Scheme, our Company issued and allotted 48,400,000 Equity Shares to P I Opportunities Fund – I on a private placement basis.*

\# *Allotment to the shareholders of Grasim pursuant to the Scheme.*

b. The history of the preference share capital of our Company is provided in the following table:

i. Non cumulative compulsorily convertible preference share

Date of Allotment	No Of Shares Allotted	Face Value (₹/ Share)	Issue Price (₹/ Share)	Nature of Consideration	Nature of Allotment	Cumulative No. of Preference Shares	Cumulative paid up capital (In ₹)
February, 17, 2010	400,000,000	10	10	Cash	Further allotment	400,000,000	4,000,000,000
March 31, 2011	140,000,000	10	10	Cash	Further allotment	540,000,000	5,400,000,000
December 23, 2011	29,500,000	10	10	Cash	Further allotment	569,500,000	5,695,000,000
February 17, 2012	27,000,000	10	10	Cash	Further allotment	596,500,000	5,965,000,000
July 16, 2012	100,000,000	10	10	Cash	Further allotment	696,500,000	6,965,000,000
October 10, 2012	100,000,000	10	10	Cash	Further allotment	796,500,000	7,965,000,000
March 30, 2013	80,000,000	10	10	Cash	Further allotment	876,500,000	8,765,000,000
February16, 2015	(400,000,000)	10	10	Cash	Converted into Equity Shares	476,500,000	4,765,000,000
March 30, 2016	(140,000,000)	10	10	Cash	Converted into Equity Shares	336,500,000	3,365,000,000
December 22, 2016	(29,500,000)	10	10	Cash	Converted into Equity Shares	307,000,000	3,070,000,000
February16, 2017	(27,000,000)	10	10	Cash	Converted into Equity Shares	280,000,000	2,800,000,000
February16, 2017	(100,000,000)	10	10	Cash	Converted into Equity Shares	180,000,000	1,800,000,000
February16, 2017	(100,000,000)	10	10	Cash	Converted into Equity Shares	80,000,000	800,000,000
February16, 2017	(80,000,000)	10	10	Cash	Converted into Equity Shares	0	0

ii. Non convertible non cumulative redeemable preference share capital

Date of Allotment	No Of Shares Allotted	Face Value (₹/ Share)	Issue Price (₹/ Share)	Nature of Consideration	Nature of Allotment	Cumulative No. of Preference Shares	Cumulative paid up capital (In ₹)
29-September,2014	135,000,000	10	10	Cash	Further allotment	135,000,000	1,350,000,000
October 21, 2014	40,000,000	10	10	Cash	Further allotment	175,000,000	1,750,000,000
January 13, 2015	61,110,000	10	10	Cash	Further allotment	236,110,000	2,361,100,000
January 23, 2015	100,000,000	10	10	Cash	Further allotment	336,110,000	3,361,100,000
February 13,2015	37,390,000	10	10	Cash	Further allotment	373,500,000	3,735,000,000
February 13, 2015	27,610,000	10	10	Cash	Further allotment	401,110,000	4,011,100,000
February 23, 2015	30,000,000	10	10	Cash	Further allotment	431,110,000	4,311,100,000
March 27, 2015	250,000,000	10	10	Cash	Further allotment	681,110,000	6,811,100,000
April 6, 2015	65,000,000	10	10	Cash	Further allotment	746,110,000	7,461,100,000
July 31, 2015	250,000,000	10	10	Cash	Further allotment	996,110,000	9,961,100,000
January 6, 2016	275,000,000	10	10	Cash	Further allotment	1,271,110,000	12,711,100,000
March 30, 2016	200,000,000	10	10	Cash	Further allotment	1,471,110,000	14,711,100,000
March 2, 2017	(1,471,110,000)	10	10	Cash	Redemption	0	0

3. Issue of Shares for consideration other than cash

Other than the allotment of Equity Shares pursuant to the Scheme, our Company has not allotted any Equity Shares or preference shares for consideration other than cash.

4. History of the Equity Share Capital held by our Promoter

Upon consummation of the Scheme, our Promoter, i.e. Grasim, will hold 1,232,240,000 Equity Shares, equivalent to ₹ 12,322,400,000 of the issued, subscribed and paid-up Equity Share capital of our Company.

a. Build-up of our Promoters' shareholding in our Company

Set forth below is the build-up of the shareholding of our Promoter since incorporation of our Company:

Name of the Promoter	Date of allotment/ Transfer	Nature of allotment	No. of Equity Shares	Nature of consideration	Face value per Equity Share	Issue price/ Transfer Price per Equity Share	Percentage of the pre-scheme capital (%)	Percentage of the post-scheme capital (%)
Grasim Industries Limited *	July 1, 2017	Scheme of Arrangement	1,232,240,000	Not applicable	10	Not applicable	Not applicable	55.99

* Pursuant to the Scheme, with effect from Effective Date 1 i.e. July 1, 2017, the entire shareholding of our erstwhile promoter i.e. Aditya Birla Nuvo Limited in our Company was vested with and transferred to our Promoter i.e. Grasim Industries Limited.

All the Equity Shares held by our Promoters were fully paid up on the respective dates of vesting and transfer of such Equity Shares.

Shareholding of our Promoters and Promoter Group

Upon consummation of the Scheme, the shareholding of our Promoter and Promoter Group in our Company is as follows:

Sr. no	Name of the Shareholder	No. of Equity Shares	%
	EQUITY SHARES		
1.	Aditya Vikram Kumar Mangalam Birla HUF	125,608	0.01
2.	Smt. Rajashree Birla	773,989	0.04
3.	Smt. Neerja Birla	102,286	0.00
4.	Smt. Vasavadatta Bajaj	165,951	0.01
5.	Kumar Mangalam Birla	51,790	0.00
6.	Birla Consultants Limited	122,334	0.01
7.	Birla Industrial Finance (India) Ltd.	122,479	0.01
8.	Birla Industrial Investment (India) Ltd.	26,119	0.00
9.	Birla Institute of Technology & Science	925,687	0.04
10.	Birla Group holdings Private Limited	7,668,178	0.35
11.	ECE Industries Limited	471,931	0.02
12.	Grasim Industries Limited	1,232,240,000	55.99
13.	Hindalco Industries Limited	39,511,455	1.80
14.	IGH Holdings Private Limited	46,887,810	2.13
15.	Manav Investment & Trading Company Limited	1,677,965	0.08
16.	Pilani Investment And Industries Corporation Limited	31,673,756	1.44
17.	Renuka Investments & Finance Limited	339,059	0.02
18.	Rajratna Holdings Private Limited	938	0.00
19.	TGS Investment & Trade Private Limited	50,234,905	2.28
20.	Trapti Trading & Investments Private Limited	58,135,303	2.64
21.	Turquoise Investments And Finance Private Limited	58,967,770	2.68
22.	Umang Commercial Company Private Limited	37,444,766	1.70
23.	Vaibhav Holdings Private Limited	938	0.00
24.	Vikram Holdings Private Limited	1,050	0.00
	TOTAL (A)	**1,567,672,067**	**71.23**
	Equity Shares underlying proposed GDRs		
25.	P.T. Indo Bharat Rayon	28,005,628	1.27
26.	P T Sunrise Bumi Textiles	1,776,250	0.08
27.	P T elegant Textile Industry	1,132,250	0.05
28.	Thai Rayon Public Company Limited	2,695,000	0.12
29.	Surya Kiran Investments Pte Limited	7,000	0.00
	TOTAL (B)	**33,616,128**	**1.53**
	GRAND TOTAL (A+B)	**1,601,288,195**	**72.76**

b. *Details of Lock-in*

In terms of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (the "**SEBI Circular**") Equity Shares held by the Promoter of our Company that shall be listed pursuant to the Scheme, shall be locked-in to the extent of 20% of the post Scheme paid-up equity capital of our Company. Further, the balance of the entire pre-Scheme capital of our Company shall be locked-in for a period of three years from the date of listing of our Equity Shares.

The Equity Shares of the Company held by ABNL, before the Scheme became effective, have been vested with Grasim Industries Limited with effect from Effective Date 1, pursuant to the Scheme of Arrangement. We undertake to lock-in the Promoters' shares to the extent of 20% of the post-Scheme paid-up equity capital of the Company for a period of three years from the date of listing of our Equity Shares. Further, the Company undertakes to lock-in the balance of the entire pre-Scheme equity capital of our Company for a period of three years from the date of listing of our Equity Shares.

5. Employee stock options

A. In accordance with clause 18.6 of the Scheme, the Board had approved that up to 32,286,062 Equity Shares (i.e. 1.5% of the fully diluted equity share capital) of the Company shall be allocated towards an employee stock option scheme (the "ESOS") under which eligible employees of our Company and its Subsidiaries shall be granted stocks options and/or restricted stock units. Under the ESOS, the Company has granted stock options and restricted stock units to the eligible employees of the Company and its subsidiaries which will convert into a maximum of 30,268,193 Equity Shares of the Company in accordance with the applicable vesting schedule.

B. In accordance with clause 18.3 of the Scheme, existing holders of employee stock options of Grasim (including erstwhile holders of employee stock options of ABNL) as on July 20, 2017 are required to be compensated pursuant to the Demerger either by issue of new options; restricted stock units; and/or stock appreciation rights by (a) Grasim; or (b) our Company. Such compensation may be afforded either prior to the listing of Equity Shares of our Company or post such listing. In the event, the Board in consultation with Grasim opts for grant of stock options under option (b) mentioned above, the stock options granted shall convert to approximately 1.8 million Equity Shares of our Company in accordance with the applicable vesting schedule.

6. Shareholding Pattern of our Company

The table below presents the shareholding of our Company as on the date of this Information Memorandum:

Category code	Category of Shareholder	Number of Share-holders	Pre-Arrangment				Post-Arrangement				Shares pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Total number of shares	Number of shares held in Dematerialized form	Total shareholding as a percentage of total number of shares			
					As a percentage of (A+B)	As a percentage of (A+B+C)			As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)					(VIII)	(IX)= (VIII)/(IV)*100
(A)	**Shareholding of Promoter and Promoter Group**											
1	Indian											
(a)	Individuals/Hindu Undivided Family						12,19,624	12,19,624	0.06	0.06		
(b)	Central Government/State Government(s)											
(c)	Bodies Corporate (including nominees)	14	123,22,40,000	123,22,39,940	96.22%	96.22%	1,56,64,52,443	1,56,64,52,383	71.17	71.17	16,77,965	0.10
(d)	Financial institutions/Banks											
(e)	Any others (Specify)											
	Sub Total (A) (1)	**14**	**123,22,40,000**	**123,22,39,940**	**96.22%**	**96.22%**	**1,56,76,72,067**	**1,56,76,72,007**	**71.23**	**71.23**	16,77,965	0.10
2	Foreign											
(a)	Individuals (Non-Residents Individuals)											
(b)	Bodies Corporate (through GDRs)											
(c)	Institutions											
(d)	Any others (Specify)[(1)]						3,36,16,128	3,36,16,128	1.53	1.53		

Category code	Category of Shareholder	Number of Share-holders	Pre-Arrangment				Post-Arrangement				Shares pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Total number of shares	Number of shares held in Dematerialized form	Total shareholding as a percentage of total number of shares			
					As a percentage of (A+B)	As a percentage of (A+B+C)			As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
	Sub Total (A)(2)						**3,36,16,128**	**3,36,16,128**	**1.53**	**1.53**		
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	**14**	**123,22,40,000**	**123,22,39,940**	**96.22%**	**96.22%**	**1,60,12,88,195**	**1,60,12,88,135**	**72.76**	**72.76**	**16,77,965**	**0.10**
(B)	**Public Shareholding**											
1	**Institutions**											
(a)	Mutual Funds						4,62,56,707	4,61,95,958	2.10	2.10		
(b)	Foreign Portfolio Investors						21,96,67,776	21,96,48,893	9.98	9.98		
(c)	Financial Institutions/Banks						16,41,864	14,07,414	0.07	0.07		
(d)	Central Government/State Government(s)						11,068	11,068	0.00	0.00		
(e)	Venture Capital Funds											
(f)	Insurance Companies						6,47,06,604	6,46,68,725	2.94	2.94		
(g)	Foreign Institutional Investors											
(h)	Foreign Venture Capital Investors											
(i)	Foreign Bodies-DR						1,90,28,940	1,90,28,940	0.86	0.86		
(j)	Any other (specify)						5,36,31,038	5,36,31,038	2.44	2.44		
	Sub-Total (B)(1)						**3,51,511,508**	**35,11,59,547**	**15.97**	**15.97**		
2	**Non-Institutions**											
(a)	Individuals											
I	Individual shareholders						8,07,64,905	6,73,05,107	3.67	3.67		

Category code	Category of Shareholder	Number of Share-holders	Pre-Arrangment				Post-Arrangement				Shares pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Total number of shares	Number of shares held in Dematerialized form	Total shareholding as a percentage of total number of shares			
					As a percentage of (A+B)	As a percentage of (A+B+C)			As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
	holding nominal share capital up to ₹ 2 lakhs											
II	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs						1,42,51,767	1,38,46,503	0.65	0.65		
(b)	NBFCs Registered with RBI						30,760	30,760	0.00	0.00		
(c)	Overseas depositories (Holding GDRs)						3,08,07,327	3,08,06,277	1.40	1.40		
(d)	Any other											
	Trusts						5,49,86,623	5,49,44,283	2.50	2.50		
	Overseas Corporate Bodies[2]						1,83,61,303		0.83	0.83		
	Non-Resident Indians						46,69,407	26,10,927	0.21	0.21		
	Clearing Members						11,97,322	11,97,322	0.05	0.05		
	NRI Non- Repatriation						18,24,722	18,24,722	0.08	0.08		
	Bodies Corporate						4,11,79,807	4,06,75,687	1.87	1.87		
	Foreign Nationals						33,305	33,305	0.00	0.00		
	PI Opportunities Fund I	1	4,84,00,000	4,84,00,000	3.78	3.78	4,84,00,000	4,84,00,000	2.20	2.20		
	Sub Total (B) (2)	**1**	**4,84,00,000**	**4,84,00,000**	**3.78**	**3.78**	**24,81,07,248**	**21,32,74,893**	**11.27**	**11.27**		
1.	**Total Public Shareholding (B) = (B)(1)+ (B)(2)**	**1**	**4,84,00,000**	**4,84,00,000**	**3.78**	**3.78**	**59,96,18,756**	**56,44,34,440**	**27.24**	**27.24**		
2.	**Total Shareholding (A+B)**	**15**	**1,28,06,40,000**	**1,28,06,39,940**	**100%**	**100%**	**220,09,06,951**	**2,16,57,22,575**	**100**	**100**	**16,77,965**	**0.10**

[1]*3,36,16,128 Equity Shares of our Company are underlying proposed GDRs to be issued pursuant to the Scheme.*

(2) *12 Equity Shares of our Company have not been allotted to an overseas corporate body whose name was appearing in the adverse list of RBI.*

7. The list of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of this Information Memorandum, 10 days before the date of this Information Memorandum, and two years prior the date of this Information Memorandum are set forth below:

(a) The top 10 shareholders as on the date of this Information Memorandum are as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the paid up share capital (%)
1.	Grasim Industries Limited	1,23,22,40,000	55.99
2.	Citibank N.A. New York, NYADR Department*	6,44,22,405	2.93
3.	Turquoise Investments And Finance Private Limited	5,89,67,770	2.68
4.	Trapti Trading & Investments Private Limited	5,81,35,303	2.64
5.	Life Insurance Corporation Of India	5,34,32,489	2.43
6.	TGS Investment & Trade Private Limited	5,02,34,905	2.28
7.	PI Opportunities Fund- I	4,84,00,000	2.20
8.	IGH Holdings Private Limited	4,68,87,810	2.13
9.	Hindalco Industries Limited	3,95,11,455	1.80
10.	Umang Commercial Company Private Limited	3,74,44,766	1.70
	Total	**1,68,96,76,903**	**76.77**

**Includes 3,36,16,128 Equity Shares underlying proposed GDRs to be held by Promoter Group companies and 3,08,06,277 equity shares underlying proposed GDRs to be held by Public.*

(b) The top 10 shareholders two years prior to the date of this Information Memorandum are as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the paid up share capital (%)
1.	Aditya Birla Nuvo Limited	757,009,940	100
2.	Mrs. Hutokshi Wadia jointly with ABNL	10	0.00
3.	Mr. Sushil Agarwal jointly with ABNL	10	0.00
4.	Mr. Shriram Jagetiya jointly with ABNL	10	0.00
5.	Mr. Rajesh K. Shah jointly with ABNL	10	0.00
6.	Mr. Rakesh Gupta jointly with ABNL	10	0.00
7.	Mr. Mahendra Bhandari jointly with ABNL	10	0.00
	Total	**757,010,000**	100

8. **Details of the Equity Shares held by our Directors:** None of our Directors hold any Equity Shares in the Company except as set forth in the table below:

Name of Director	Designation	Number of Equity Shares Held
Mr. Arun Adhikari	Independent Director	0
Mr. Puranam H Ravikumar	Independent Director	407
Mr. S C Bhargava	Independent Director	0
Mrs. Vijayalakshmi Rajaram Iyer	Independent Director	0
Mrs. Pinky Atul Mehta	Whole Time Director and CFO	14,702
Mr. Shriram Jagetiya	Non-executive Director	16,635

9. As on the date of the Information Memorandum, our Company has allotted 920,266,951 Equity Shares to equity shareholders of Grasim pursuant to the Scheme approved by the NCLT under Sections 391 to 394 of the Companies Act, 1956 and Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made there under (to the extent notified and applicable).

10. As of the date of the filing of this Information Memorandum, the total number of Shareholders of our Company is 265,113.

11. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares as on the date of this Information Memorandum. For further details, please see paragraph 5(B) on page 59.

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

13. At least 25% of the post-Scheme paid up share capital of our Company comprises of Equity Shares allotted to public shareholders.

14. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

SCHEME OF ARRANGEMENT

A composite scheme of arrangement pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (to the extent notified and applicable) involving amalgamation of ABNL with Grasim Industries Limited (the "**Amalgamation**") and subject to the satisfactory fulfillment of the Amalgamation, upon Amalgamation of ABNL with Grasim Industries Limited ("**Grasim**") becoming effective, demerger of the financial services business of Grasim (the "**Demerged Undertaking**"), and transfer of the same to our Company pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (to the extent notified and applicable) (the "**Demerger**"), including (i) cancellation of the equity shares held by Grasim in ABNL; (ii) issuance of equity shares by Grasim to the equity shareholders of ABNL; (iii) dissolution without winding up of ABNL; (iv) merger of the authorised share capital of ABNL with the authorised share capital of Grasim; (v) alteration of the object clause of the memorandum of association of Grasim; (vi) issuance of Equity Shares by ABCL to the equity shareholders of Grasim; (vii) listing of the Equity Shares of ABCL on BSE and NSE; and (viii) various other matters consequential to or otherwise integrally connected with the above (the "**Scheme of Arrangement**" or the "**Scheme**"). The Board approved the Scheme pursuant to its resolution dated August 11, 2016. Pursuant to the Scheme and with effect from Effective Date 2, the financial services business of the Demerged Undertaking stood transferred to our Company as a going concern. The Scheme was sanctioned by the NCLT by an order dated June 1, 2017.

Rationale for the Scheme

The rationale for the Scheme, as mentioned in clause C of the Scheme, is as follows:

- The proposed restructuring will create a large and well diversified company, having a portfolio of leading manufacturing and services businesses with healthy mix of steady cash flows and long-term growth opportunities.

- The Demerged Company will be participating in high growth financial services business and tap opportunities available in a low penetrated market with support from its strong balance sheet.

- The proposed demerger of the financial services business to our Company will unlock value for the equity shareholders of our Company, attract investors and provide better flexibility in accessing capital.

- It is believed that this Scheme will create enhanced value for our equity shareholders and allow a focused growth strategy which would be in the best interests of all the stakeholders. The restructuring proposed by this Scheme will also provide flexibility to the investors to select investments which best suit their investment strategies and risk profile.

Salient Features of the Scheme

Amalgamation of ABNL with Grasim

Upon part II of the Scheme, pertaining to amalgamation of Aditya Birla Nuvo Limited (the "**Transferor Company**") with Grasim (the "**Transferee Company**"), becoming effective and with effect from the Effective Date 1 and in accordance with the provisions of the Companies Act, the provisions of Section 2(1B) of the Income tax Act, 1961 and other applicable laws, ABNL along with all its assets, liabilities, contracts, employees, licenses, records, approvals, etc. being integral parts of ABNL stood amalgamated with and vested in Grasim as a going concern so as to become as and from the Effective Date 1, the assets, liabilities, etc. of Grasim by virtue of, and in the manner provided in the Scheme.

In consideration of the Amalgamation, Grasim issued and allotted to each member of ABNL, whose names were recorded in the register of members of ABNL and the records of the depository as members of the ABNL and who have been determined as being eligible for such issuance on the Record Date 1, 15 equity shares of ₹ 2 each of Grasim credited as fully paid up for every 10 equity shares of ₹ 10 each held by such shareholder. No shares were issued by Grasim in respect of the shares held by Grasim in ABNL, in accordance with the provisions of the Scheme.

Demerger of the Demerged Undertaking from Grasim (post Amalgamation)

Subject to the implementation of part II of the Scheme and with effect from the Effective Date 2, the Demerged Undertaking stood transferred to and vested in our Company on a going concern basis, so as to become on and from the Effective Date 2, the estate, assets, rights, title, interest and authorities of our Company, in accordance with the provisions of the Companies Act, the provisions of Section 2(19AA) of the Income-tax Act, 1961 and other applicable laws.

In consideration of the Demerger of the Demerged Undertaking into our Company pursuant to the provisions of the Scheme, our Company issued and allotted to each equity shareholder of Grasim, whose names were recorded in the register of members of Grasim and records of the depository as members of Grasim and who have been determined as being eligible for such issuance on the Record Date 2, seven Equity Shares of ₹10 each of our Company credited as fully paid up for every five Equity Shares of ₹2 each held by such shareholder in Grasim. No cash consideration was paid by our Company to Grasim or its shareholders, in accordance with the provisions of the Scheme.

Further, pursuant to clause 20.12 of the Scheme, the shareholding pattern or the control of our Company shall not be changed between the Record Date 2 and the date of listing of its Equity Shares.

Listing of Equity Shares of our Company

Our Company filed the Draft Information Memorandum with the Stock Exchanges prior to consummation of the Scheme. Our Company has applied for listing of its Equity Shares on BSE and NSE, including those issued in pursuance of the Scheme, by filing this Information Memorandum and other documents required for listing of its Equity Shares, in terms of and in compliance of the SEBI Circular and other applicable laws.

Approvals for the Scheme

The NCLT, vide its order dated June 1, 2017 has approved the Composite Scheme of Arrangement between ABNL, Grasim and our Company and their respective shareholders and creditors. The Demerged Undertaking of the Demerged Company has been transferred to and vested with our Company with effect from Effective Date 2, in accordance with Sections 230-232 of the Companies Act, 2013 and applicable laws.

Corporate Approvals

The Scheme along with the joint valuation report of the independent valuers, namely, M/s Bansi S Mehta & Co and Price Waterhouse & Co LLP, was placed before the board of directors of ABNL, at the meeting held on August 11, 2016. The fairness opinion provided by Kotak Mahindra Capital Company Limited and the report of the audit committee of ABNL were also submitted to the board of directors of ABNL. The Scheme was unanimously approved by the board of directors of ABNL on August 11, 2016 by the directors present and voting.

The Scheme along with the joint valuation report of the independent valuers, namely, M/s Bansi S Mehta & Co and Price Waterhouse & Co LLP, was placed before the board of directors of Grasim, at the meeting held on August 11, 2016. The fairness opinion provided by JM Financial Institutional Securities Limited and the report of the audit committee of Grasim were also submitted to the board of directors of Grasim. The Scheme was unanimously approved by the board of directors of Grasim on August 11, 2016 by the directors present and voting.

The Scheme along with the joint valuation report of the independent valuers, namely, M/s Bansi S Mehta & Co and Price Waterhouse & Co LLP, was placed before the Board of our Company, at the meeting held on August 11, 2016. The report of the audit committee of our Company was also submitted to the Board. The Scheme was unanimously approved by the Board on August 11, 2016.

The Scheme was approved by the equity shareholders and secured and unsecured creditors of Grasim at their meeting held on April 6, 2017. The equity shareholders and secured and unsecured creditors of ABNL at their meeting held on April 10, 2017 approved the Scheme and the equity shareholders of our Company approved the Scheme at their meeting held on April 10, 2017, in line with the NCLT order dated February 6, 2017 and in accordance with the requirements under applicable laws.

Other Approvals in relation to the Scheme

BSE has been appointed as the Designated Stock Exchange for the purpose of coordinating with the SEBI, pursuant to the SEBI Circular. ABNL has received observation letters regarding the Scheme from BSE and NSE, respectively, both on November 16, 2016. In terms of the observation letters of BSE and NSE, respectively, both dated November 16, 2016, BSE and NSE, *inter alia*, conveyed their no adverse observations/no objection for filing the Scheme with the NCLT, subject to fulfillment of the conditions stated in these observation letters.

ABNL, Grasim and our Company had applied to the Competition Commission of India under the provisions of Section 6(2) of the Competition Act, 2002 for approval of the Scheme on September 8, 2016. Thereafter, the Competition

Commission of India *vide* letter dated December 7, 2016 and subsequently *vide* order dated January 20, 2017, approved the Scheme under Section 31(1) of the Competition Act, 2002.

Further, our Company was required to issue and allot global depository receipts ("GDR") and Equity Shares to the GDR holders and foreign equity shareholders of Grasim pursuant to the provisions of the Scheme and such issuance required prior approval of the Department of Economic Affairs (formerly such approval was required from the Foreign Investment Promotion Board) in terms of the Consolidated Foreign Direct Investment Policy dated June 7, 2016 (the "FDI Policy") and such approval was granted to the Company by the Department of Economic Affairs, Ministry of Finance on August 11, 2017.

STATEMENT OF TAX BENEFITS

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible tax benefits available to the Company and its shareholders under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

BENEFITS TO THE COMPANY UNDER THE ACT:

a) Minimum Alternate Tax (MAT) Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (MAT) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years. The amount of credit available shall be the difference between MAT payable under section 115JB of the Act and taxes payable on total income computed under other provisions of the Act.

- MAT credit shall be allowed to be carried forward for any assessment year to the extent of difference between the tax paid under Section 115JB and the tax payable as per the normal provisions of the Act for that assessment year. Such MAT credit is available for set-off up to 15 years succeeding the assessment year in which the MAT credit arises.

b) Dividends

- As per the provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities, where such securities are bought or acquired within a period of three months prior to the record date and such securities are sold or transferred within three months from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt, if any.

- Any amount declared, distributed or paid by the Company to shareholders by way of dividends on or after 1 April 2003, whether out of current or accumulated profits, shall be charged to additional income tax at the rate of 15 percent (plus applicable surcharge and cess) under Section 115-O of the Act. In view of the amendment brought in by Finance (No.2) Act, 2014, for the purpose of determining the tax on distributed profits payable in accordance with Section 115-O of the Act, the amount of dividends on or after 1 April 2003 needs to be increased to such amount as would, after reduction of tax on such increased amount at the specified rate, be equal to the net distributed profits.

- Further, if the company being a holding company, has received any dividend from its subsidiary on which dividend distribution tax has been paid by such subsidiary, then company will not be required to pay dividend distribution tax to the extent the same has been paid by such subsidiary company.

- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess) up to March 31, 2014. As per Finance Act, 2014, the benefit of lower rate of 15% is extended without limiting it to a particular assessment year.

- For removing the cascading effect of dividend distribution tax, while computing the amount of dividend distribution tax payable by a Domestic Company, the dividend received from a foreign subsidiary on which income-tax has been paid by the Domestic Company under Section 115BBD of the Act shall be reduced.

- Any income received from distribution made by any mutual fund specified under Section 10(23D) of the Act or from the administrator of the specified undertaking or from the units of specified company referred to in Section 10(35) of the Act, is exempt from tax in the hands of the Company under Section 10(35) of the Act. However, as per Section 94(7) of the Act, losses arising from the sale/ redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent of the amount of income claimed exempt, if any.

As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

c) Carry forward and set off of losses

- As per the provisions of Section 72(1) of the Act, if the net result of the computation of income from business is a loss to the Company, not being a loss sustained in a speculation business, such loss can be set off against any other income and the balance loss, if any, can be carried forward for eight consecutive assessment years immediately succeeding the assessment year for which the loss was first computed and shall be set off against business income.

- As per the provisions of Section 72A of the Act, pursuant to business re-organisations such as demerger, etc., the successor company shall be allowed to carry forward any accumulated tax losses/ unabsorbed depreciation of the predecessor company, subject to fulfilment of prescribed conditions.

d) Capital gains

- As per the provisions of section 2(29A) of the IT Act, read with section 2(42A) of the I.T. Act, a listed equity share is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer..

- Long Term Capital Gain (LTCG) arising on transfer of equity shares of a company or units of an equity oriented fund which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of a business trust as defined in Section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

- Book Income on transfer of investment in a company is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if tax on long term capital gain resulting on sale of listed securities (other than a unit) or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the tax calculated at the rate of 10% without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10% (plus applicable surcharge and education cess).

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of a business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the normal rate of 30%(plus applicable surcharge and cess).

- As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

  - where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.

- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

  As per the provisions of section 54D of the Act and subject to the conditions to the extent specified therein, capital gains arising on compulsory acquisition of land & building or any right therein used by an industrial undertaking, will be exempt from tax if the capital gains are invested in ―land, building, or any right therein within 3 years from the date of compulsory acquisition for the purpose of shifting / re-establishing/ setting up another industrial undertaking‖ subject to lower of Capital Gain or the Cost of acquisition of new land and building

- In accordance with and subject to the conditions and to the extent specified in section 54EC of the Act, the company would be entitled to exemption from tax on gains arising from transfer of the long term capital asset (not covered by section 10(36) and 10(38)) if such capital gain is invested within a period of six months from the date of transfer in bonds redeemable after three years and issued by:

  - National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

  - Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

  The maximum investment in the specified long term asset cannot exceed ₹5,000,000 during any financial year as well as capital gain arising from transfer of one or more original assets. Where the long term specified assets is transferred or converted into money at any time with in a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long term specified assets is transferred or converted into money.

e) Other

- As per provisions of Section 35 (1) (ii) of the Act, in respect of sum paid to a research association which has as its object the undertaking of scientific research or to a university, college or other institution to be used for scientific research to the extent of a sum equal to one and three fourth times the sum so paid.

- As per provisions of Section 35 (1) (iii) of the Act, in respect of any sum paid to a scientific research association which has as its object the undertaking of scientific research, or to any approved university, College or other institution to be used for scientific research or for research in social sciences or statistical scientific research to the extent of a sum equal to one and one fourth times the sum so paid.

- Under Section 35 (1) (iia) of the Act, any sum paid to a company, which is registered in India and which has as its main object the scientific research and development, and being approved by the prescribed authority and such other conditions as may be prescribed, shall also qualify for a deduction of one and one fourth times the amount so paid. .

- In respect of deduction under section 35(1)(iia) and 35(1)(iii), the deduction shall be restricted to 100 per cent with effect from 01.04.2017 (i.e. from previous year 2017-18 and subsequent years). In regard to deduction under section 35(1)(ii) of the Act, weighted deduction shall be restricted to 150 per cent from 01.04.2017 to 31.03.2020 (i.e. from previous year 2017-18 to previous year 2019-20) and deduction shall be restricted to 100 per cent from 01.04.2020 (i.e. from previous year 2020-21 onwards).

- As per provisions of Section 35(2AA) of the Act, any contribution made Notified Institutions i.e. National Laboratory, University, Indian Institute of Technology, specified persons as approved by the prescribed authority, is available to the extent of two times of such payment made. However, the deduction under above sub-section shall be restricted to the amount so paid, if payment is made on or after 1 April 2020.

- However, weighted deduction u/s 35(2AB) of the Act shall be restricted to 150 per cent with effect from 01.04.2017 to 31.03.2020 (i.e. from previous year 2017-18 to previous year 2019-20). Deduction shall be restricted to 100 per cent from 01.04.2020 (i.e. from previous year 2020-21 onwards).

- As per section 35D of the Act, the Company is entitled to amortise certain preliminary expenditure, specified under Section 35D(2) of the Act, subject to the limit specified in Section 35D(3). The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive assessment years beginning with the assessment year in which the extension of the unit is completed or the unit/ business commences production or operation

- As per the provisions of Section 35DD of the Act, any expenditure incurred by an Indian Company, on or after 1 April 1999, wholly and exclusively for the purpose of amalgamation or demerger of an undertaking, shall be allowed a deduction of an amount equal to one-fifth of such expenditure for each of five successive financial years beginning with the financial year in which the amalgamation or demerger takes place.

- As per the provisions of Section 35DDA of the Act, if a Company incurs any expenditure in any financial year by way of payment of any sum to an employee in connection with his voluntary retirement, in accordance with any scheme or schemes of voluntary retirement, the Company would be eligible to claim a deduction for one-fifth of the amount so paid in computing the profits and gains of the business for that financial year, and the balance shall be deducted in equal installments for each of the four immediately succeeding financial years.

- As per the provisions of Section 35CCD of the Act, if a Company incurs any expenditure (not being in the nature of cost of any land or building) on any skill development project notified by the Central Board of Direct Taxes in this behalf in accordance with the guidelines as may be prescribed, then, the Company shall be allowed a deduction of sum equal to one and one-half times of such expenditure. However, the deduction shall be restricted to 100 per cent from 01.04.2020 (i.e. from previous year 2020-21 onwards).

- As per section 115U of the Act, any income received by a person out of investments made in a venture capital company (VCC) or venture capital fund (VCF) shall be chargeable to income-tax in the same manner as if it were the income received by such person had he made investments directly in the venture capital undertaking (VCU).

- As per Section 80JJAA, Where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, there shall, subject to the conditions specified in sub-section (2), be allowed a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

- As per the provisions of section 90, for taxes on income paid in Foreign Countries with which India has entered into Double Taxation Avoidance Agreements (Tax Treaties from projects/activities undertaken thereat), the Company will be entitled to the deduction from the India Income-tax of a sum calculated on such doubly taxed income to the extent of taxes paid in Foreign Countries. Further, the company as a tax resident of India would be entitled to the benefits of such Tax Treaties in respect of income derived by it in foreign countries. In such cases the provisions of the Income tax Act shall apply to the extent they are more beneficial to the company. Section 91 provides for unilateral relief in respect of taxes paid in foreign countries

- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfilment of the conditions specified in that section.

BENEFITS TO THE SHAREHOLDERS OF THE COMPANY UNDER THE ACT

a) Dividends

- As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the members/ shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax on the amount distributed as dividend, if any.

  However, the Finance Act 2016 has introduced Section 115BBDA which provides that the aggregate of dividends received by an individual, HUF or a firm resident in India from domestic companies in excess of INR 10 lakh will be taxed at 10 percent on a gross basis and no deduction will be available for any expenditure.

- Also, Section 94(7) of the Act provides that losses arising from the sale/transfer of shares purchased within a period of three months prior to the record date and sold/transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt, if any.

b) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorised into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognised stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long Term Capital Gains (LTCG).

- Short Term Capital Gains (STCG) means capital gains arising from the transfer of equity shares listed on a recognised stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

- LTCG arising on transfer of a long term capital asset, being an equity share in a company shall be exempt from tax under Section 10(38) of the Act provided that the transaction of sale of such equity share or unit is entered into on or after 1 October 2004 on a recognised stock exchange and such transaction is chargeable to Securities Transaction Tax (STT) and subject to conditions specified in that section.

- Taxable LTCG would arise [if not exempt under Section 10(38) or any other section of the Act] to a resident shareholder where the equity shares are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

  a) Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government; and

  b) Expenditure incurred wholly and exclusively in connection with the transfer of shares.

  Under Section 112 of the Act, taxable LTCG are subject to tax at a rate of 20 percent (plus applicable surcharge and cess) after indexation, as provided in the Second Proviso to Section 48 of the Act. However, in case of listed securities (other than unit), the amount of such tax could be limited to 10 percent (plus applicable surcharge and cess), without indexation, at the option of the shareholder.

- In respect of a non-resident shareholder, as per the First Proviso to Section 48 of the Act, the capital gains arising from the transfer of listed equity shares of an Indian company, shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains so computed shall be reconverted into Indian currency. Further, the benefit of indexation as provided in Second Proviso to Section 48 is not available to non-resident shareholders.

- As per the provisions of Section 111A of the Act, STCG arising from the transfer of a listed equity share in a Company as specified under Section 10(38) of the Act, is subject to tax at the rate of 15 percent provided that the transaction of sale of such equity share or unit is chargeable to STT. If the provisions of Section 111A are not applicable, the STCG would be taxed at the normal rates of tax (plus applicable surcharge and cess) applicable to resident investor.

- STCG arising from the transfer of a listed equity share in a Company as specified under Section 10(38) of the Act, wherein the transaction is not chargeable to STT, it is subject to tax at the rate as applicable (plus applicable surcharge and cess).

- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against STCG as well as LTCG. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Further, long term capital loss arising during a year is allowed to be set-off only against LTCG. Balance loss, if any, shall be carried forward and set-off against LTCG arising during subsequent eight assessment years.

- If the shareholder is a company liable to pay tax on book profits under Section 115JB of the Act, the capital gain on transfer of equity shares, if long term shall be exempt in terms of Section 10(38) of the Act but the book gain shall form part of book profits while computing the book profit under Section 115JB of the Act.

- The characterisation of the gain/ losses, arising from sale/ transfer of shares as business income or capital gains would depend on the nature of holding and various other factors. The Central Board of Direct Taxes (CBDT) has vide a circular clarified that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed under the head "Capital Gains" unless the shareholder itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

- Under section 36(1)(xv) of the Act, STT paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and Gains of Business or Profession".

(ii) Exemption of capital gain from income-tax:

- As per Section 54EC of the Act, LTCG arising on transfer of shares of the company (other than sale referred to in Section 10(38) of the Act) is exempt from capital gains tax to the extent the same is invested within a period of six months after the date of such transfer, in specified bonds issued by NHAI and REC, subject to conditions specified therein.

  Where a part of the capital gain is reinvested, the exemption shall be available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed INR 50 lakhs per assessee during any financial year.

  Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempt shall be taxable as capital gains in the year of transfer/conversion.

- As per the provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilised within a period of one year before or two years after the date of transfer, for purchase of a new residential house, or for construction of a residential house property, in India, within three years from the date of transfer, subject to conditions and to the extent specified therein.

c) Tax treaty benefits

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial, while deciding taxability in India (subject to furnishing of Tax Residency Certificate & information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013.). However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

d) **Requirement to furnish PAN under the I.T. Act**

- Section 139A (5A) requires every person from whose income; tax has been deducted at source under chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deduction of tax at source.

- Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB (deductee) to furnish his PAN to the deductor, failing which tax shall be deducted at the highest of the following rates:

  (i) at the rate specified in the relevant provision of the I.T. Act; or

  (ii) at the rate or rates in force; or

  (iii) at the rate of twenty per cent.

- As per sec 206AA(7), with effect from June 1 2016, the provisions of section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect of:

  (i) Payment of interest on long-term bonds as referred to in section 194LC; and

  (ii) Payment in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, subject to fulfillment of conditions specified vide Notification no.53/2016 dated 24th June 2016.

e) Non-resident Indian taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income/ LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means an individual being a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- In accordance with section 115E, income from investment or income from LTCG on transfer of assets other than specified asset shall be taxable at the rate of 20 percent (plus applicable cess). Income by way of LTCG in respect of a specified asset (as defined in Section 115C(f) of the Income-tax Act, 1961), shall be chargeable at 10 percent (plus applicable cess). Specified foreign exchange assets include shares of an Indian company which are acquired / purchased/ subscribed by NRI in convertible foreign exchange.

- As per the provisions of Section 115F of the Act, LTCG [not covered under Section 10(38) of the Act] arising to an NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is reinvested in specified assets or in savings certificate referred to in Section 10(4B) of the Act within six months of the date of transfer, subject to the extent and conditions specified in that Section. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently; if the specified assets or saving certificates referred in Section 10(4B) of the Act are transferred or converted into money within three years from the date of their acquisition.

- Under the provisions of Section 115G of the Act, it shall not be necessary for an NRI to furnish his return of income if his only source of income is investment income or LTCG or both and tax deductible at source under provisions of Chapter XVII-B has been deducted from such income.

- Under the provisions of Section 115H of the Act, where a person who is an NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- Under the provisions of Section 115-I of the Act, an NRI may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under Section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and the tax liability arising thereon.

Benefits available to Foreign Institutional Investors (“FIIs") under the Act:

a) Dividends exempt under Section 10(34) of the Act

- As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15 percent (plus applicable surcharge and cess) on the amount distributed as dividend. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities, where such securities are bought or acquired within a period of three months prior to the record date and such securities are sold or transferred within three months from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt, if any.

- In view of the amendment brought in by Finance (No.2) Act, 2014, for the purpose of determining the tax on distributed profits payable in accordance with Section 115-O of the Act, the amount of dividends needs to be to be increased to such amount as would, after reduction of tax on such increased amount at the specified rate, be equal to the net distributed profits. Resultantly, the effective rate of tax will be 17.647 percent (plus applicable surcharge & Cess) of the amount of dividends declared, distributed or paid by the Company.

b) Capital gains

- In Finance Act (No.2), 2014 it was provided that any securities held by a FII which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be capital asset. Consequently, the income arising to a FII from transactions in securities would always be in the nature of capital gains.

- In accordance with Section 115AD, FIIs will be taxed at 10 percent (plus applicable surcharge and cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if STT is not payable on the transfer of the shares.

- LTCG arising to shareholder on transfer of long term capital asset being listed equity shares of the company will be exempt from tax under Section 10(38) of the Act provided that the transaction is entered in on or after 1 October 2004 and STT has been paid on such transfer and subject to conditions specified in that section.

- As per the provisions of Section 111A of the Act, STCG arising on sale of short term capital asset, being listed equity shares in a company, shall be chargeable to tax at the rate of 15 percent (plus applicable surcharge and cess) provided the transaction is chargeable to STT. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be charged at the rate of 30% (plus applicable surcharge and cess), as applicable.

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O of the Act) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20 percent (plus applicable surcharge and cess).

- The benefits of exemption under Section 54EC of the Act mentioned above in case of the Company are also available to FIIs.

- The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

- Indirect Transfer Provision u/s 9(1)(i) of the Act - The Central Board of Direct Taxes (CBDT) issued a clarification vide Circular No. 41 of 2016 dated December 23, 2016, stating that if an FPI has more than 50 per cent of its assets in India, with a value greater than ₹ 10 crore, then any investor with a greater than five per cent interest in or contribution to the assets under management (AUM) of the FPI will be covered by the indirect transfer rules and will be subject to Indian tax whenever this investor sells or redeems its shares in the FPI/fund.

After the issue of the aforementioned circular, representations have been received from various FPIs, FIIs and VCFs and other stakeholders. The stakeholders have presented their concerns stating that the circular does not address the issue of possible multiple taxation of the same income. The representations made by the stakeholders are currently under consideration and examination by CBDT. Pending a decision in the matter the operation of the above mentioned circular in kept in abeyance for the time being

c) Tax Treaty benefits

In accordance with the provisions of Section 90 of the Act, FIIs being non-residents will be entitled to choose the provisions of Act or the provisions of tax treaty entered into by India with other foreign countries, whichever are more beneficial, while deciding taxability in India (subject to furnishing of Tax Residency Certificate & information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013.). However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

d) Computation of book profit under Section 115JB

An explanation has been inserted in Section 115JB stating that, the provisions of Section 115JB shall not be applicable and shall be deemed never to have been applicable to a foreign company if-

i. It is a resident of a country or a specified territory with which India has a tax treaty referred to in sub-section (1) of Section 90 and it does not have a permanent establishment in India; or

ii. It is a resident of a country with which India does not have a tax treaty and it is not required to seek registration under any law for the time being in force relating to companies.

Benefits available to Venture Capital Companies/ Funds under the Act:

In terms of Section 10(23FB) of the Act, all venture capital companies/ fund registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from income tax on any income from investment in a venture capital undertaking. Further, the Finance Act, 2015 has inserted a proviso providing that nothing contained in this clause shall apply in respect of any income of a venture capital fund or venture capital company, being an “investment fund” of the previous year relevant to the assessment year beginning on or after 1st April 2016.

“Investment fund” has been defined under in clause (a) of Explanation 1 to Section 115UB of the Act to mean any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992.

Benefits available to Investment Fund under the Act:

The Finance Act, 2015 has inserted Chapter XII-FB in the Act which provides for special taxation regime for Category I and Category II Alternative Investment Funds referred to as “investment fund” as per clause (a) of Explanation 1 to Section 115UB of the Act. Further, the said Act has also inserted Section 10(23FBA) in terms of which income of any investment fund other than income chargeable under the head “Profits and gains of business or profession” shall be exempt from income tax.

Benefits available to Mutual Funds under the Act:

- In terms of Section 10(23D) of the Act, all Mutual funds set up by public sector banks or public sector financial institutions or Mutual Funds registered under the Securities and Exchange Board of India Act/ Regulations there under or Mutual Funds authorised by the Reserve Bank of India, subject to the conditions specified, are eligible for exemption from income taxes on all their income, including income from investment in the shares of the company.

- However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of Section 115R of the Act. However, w.e.f. 1 October 2014, for the purpose of determining additional income tax, the amount of distributed income shall be increased to such amount as would after reduction of additional income tax on such increased amount at the rate specified be equal to the amount of income distributed by mutual fund.

Where the Shareholder is a person located in a Notified Jurisdictional Area (NJA) under section 94A of the I.T. Act

- All parties to such transactions shall be treated as associated enterprises under section 92A of the I.T. Act and the transaction shall be treated as an international transaction resulting in application of transfer pricing regulations including maintenance of documentations, benchmarking, etc.

- No deduction in respect of any payment made to any financial institution in a NJA shall be allowed under the I.T. Act unless the assessee furnishes an authorisation in the prescribed form authorizing the CBDT or any other income-tax authority acting on its behalf to seek relevant information from the said financial institution (Section 94A(3)(a) read with Rule 21AC and Form 10FC).

- No deduction in respect of any expenditure or allowance (including depreciation) arising from the transaction with a person located in a NJA shall be allowed under the I. T. Act unless the assessee maintains such documents and furnishes such information as may be prescribed (Section 94A(3)(b) read with Rule 21AC).

- If any assessee receives any sum from any person located in a NJA, then the onus is on the assessee to satisfactorily explain the source of such money in the hands of such person or in the hands of the beneficial owner, and in case of his failure to do so, the amount shall be deemed to be the income of the assessee (Section 94A(4)).

- Any sum payable to a person located in a NJA shall be liable for withholding tax at the highest of the following rates:

  (i) at the rate or rates in force;

  (ii) at the rate specified in the relevant provision of the I.T. Act; or

  (iii) at the rate of thirty per cent.

- No jurisdiction has been notified as **Notified Jurisdictional Area (NJA)** on the date of issue of the prospectus.

General Anti-Avoidance Rule ('GAAR):

In terms of Chapter XA of the Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the Act. By this Rule, any arrangement entered into by an assessee where the main purpose of the arrangement is to obtain a tax benefit may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be *interalia* denial of tax benefit, applicable w.e.f FY 2017-18.

The Central Board of Direct Taxes (CBDT) vide Notification No. 49/2016, dated 22 June 2016, has amended the GAAR. GAAR provisions are not applicable to any income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by, any person from transfer of investment made 1 April 2017. Further, GAAR provisions are applicable to any arrangement (if held as impermissible avoidance agreement), irrespective of the date on which it has been entered into, in respect of the tax benefit obtained from an arrangement on or after 1 April 2017.

UNDER THE WEALTH TAX ACT, 1957

The Finance Act, 2015 has abolished the levy of wealth tax under the Wealth Tax Act, 1957 with effect from 1 April 2016.

UNDER THE GIFT TAX ACT, 1958

Gift made after 1 October 1998 is not liable for any gift tax, and hence, gift of shares of the company would not be liable for any gift tax. However, receipt of the sum of money or any “property” including immovable property (as defined in section 56(2)(x) of the Income Tax Act, 1961) by any person without consideration or for inadequate consideration in excess of ₹ 50,000 shall be chargeable to tax in the hands of the recipient under the head "Income from other sources" to the extent the consideration is less than Fair Market Value or Stamp duty value, as the case may be, unless specifically exempted under the provisions of the Act.

Notes:

a) All the above benefits are as per the current direct tax laws relevant for the Assessment Year 2018-19 (considering the amendments made by Finance Act, 2017).

b) The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.

c) The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

d) In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences

e) The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares

f) The stated benefits will be available only to the sole/ first named holder in case the shares are held by joint holders.

SECTION IV: ABOUT OUR COMPANY

OUR BUSINESS

In this section "the Company", "our Company", "we", "us" and "our" refers to Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) and its Subsidiaries on a consolidated basis.

Overview

The Company is a non-deposit taking systemically important core investment company ("**CIC-ND-SI**") and Aditya Birla Capital Limited is the holding company of all the financial service businesses of the Aditya Birla Group. It has a significant presence across several business sectors including NBFC, asset management, life insurance, health insurance and wellness, housing finance, private equity, general insurance broking, wealth management, broking, online personal finance management, and pension fund management. The Company has recently applied to RBI for seeking license to start asset reconstruction and securitisation business

The Company's businesses are spread across the gamut of financial services in India, and include entities among the top five largest private diversified NBFCs in India based on AUM as of March 31, 2017 (source: CRISIL), the 4th largest asset management company in India by domestic AAUM as published by AMFI for the quarter ended March 2017, a leading private life insurance company in India and among the top five general insurance brokers in India.

Across our 12 lines of business, the Company manages assets worth ₹ 2,613 billion with a lending book close to ₹ 411 billion and has over 12,500 employees as of June 30, 2017. It has a presence in more than 400 cities in India through over 1,300 points of presence and over 150,000 agents and channel partners. Our AUM (across our asset management and insurance businesses) has grown from ₹ 1,074 billion in fiscal year 2013 to ₹ 2,463 billion in fiscal year 2017, while our lending book has grown from ₹ 80 billion to ₹ 388 billion over the same period. With consolidated revenue of ₹ 58.86 billion and profits before tax of ₹ 10.66 billion for the year ended March 31, 2017, the Company has emerged as a significant player in the financial services business among non-bank players. As of June 30, 2017, consolidated revenues stood at ₹ 26.98 billion with profits before tax of ₹ 3.59 billion.

The Company had a net worth of ₹ 46,109 million and debt of ₹ 4,930 million as on March 31, 2017 and has deployed ₹ 50,540 million as investment in its Subsidiaries and private equity fund. During the year ended March 31, 2017, the Company received capital infusion of ₹ 29,481 million from its holding company and raised debt of ₹ 4,930 million to meet its capital requirement for investment in subsidiary companies and redemption of preference shares. As on June 30, 2017, net worth stood at ₹ 53,118 million, debt of ₹ 4,949 million with the company having deployed ₹ 50,720 million as investment in its Subsidiaries and private equity fund.

Upon consummation of the Scheme, the Company will be a subsidiary of Grasim, a corporation having a leadership position across its manufacturing as well as services sector businesses. Grasim is a part of the Aditya Birla Group, a US $40 billion (approximately ₹ 2,600 billion) conglomerate. The Aditya Birla Group is in the League of Fortune 500, is anchored by an extraordinary force of over 120,000 employees, belonging to 42 nationalities and has about 50% of its revenues flowing from its overseas operations spanning 36 countries.

Our Business Lines

We believe that customers seek financial services and solutions for their personal and business financing needs, to invest their surplus funds for better future returns, for insuring and protecting lives and health of their loved ones and advisory services in relation to the above. Through our key business lines we deliver **financing**, **investment**, **protection** and **advisory** services to our customers and clients. We believe our broad based and integrated financial solutions offerings enable us to service our customers from "cradle to grave".

Financing

Through our subsidiary Aditya Birla Finance Limited ("**ABFL**"), we offer end-to-end lending, financing and wealth management solutions to retail, micro SME, SME and corporate customers. ABFL has grown approximately 9.5 times in the last five years with a loan book of approximately ₹ 347 billion as of March 31, 2017. For the quarter ended June 30, 2017, the loan book was at ₹ 362 billion. Along with its growth, ABFL has maintained healthy asset quality with GNPA of 0.47% as of March 31, 2017 on 120 DPD (days past due). For the quarter ended June 30, 2017, GNPA was at 0.5% on 90 DPD. This is reflected in its short term credit rating of A1+ by ICRA, long term credit rating of AA+ (with stable outlook) by ICRA and perpetual debt credit rating of AA (with stable outlook) by ICRA and India Ratings. ABFL offers customized solutions in areas of personal and business loans, corporate finance, mortgages, capital market based lending, project loans, structured finance, wealth management and digital lending, debt capital markets and syndication.

Headquartered in Mumbai, ABFL has a wide network through its branches and associates across the country and offers an extensive range of financial products, including lending, financing and wealth management solutions.

Through our home loan solutions, Aditya Birla Housing Finance Limited ("**ABHFL**") assists our customers in achieving their dream of owning a home. ABHFL offers a complete range of housing finance solutions such as home loans, home improvement and construction loans, balance transfer and top-up loans, loans against property and construction finance. It is registered with the National Housing Bank ("**NHB**") as a Systemically Important Non Deposit Accepting Housing Finance Company. ABHFL is a fast growing housing finance company with a net worth of ₹ 4,211 million and lending book value at ₹ 48,162 million as on June 30, 2017.

Investment

Since 1994, Aditya Birla Sun Life AMC Limited ("**ABSLAMC**") (formerly known as Birla Sun Life Asset Management Company Limited) has been one of the leading providers of asset management services in India, catering to a diverse group of customers through a wide variety of investment solutions focused on regular income, wealth creation, tax savings, etc. ABSLAMC provides sector specific equity schemes, fund of fund schemes, hybrid and monthly income funds, debt and treasury products and offshore funds. It is the 4th largest asset management company in India based on domestic average assets under management ("**AAUM**") as published by AMFI for the quarter ended June 2017. With pan India network of 150 branches and other distribution channels, ABSLAMC has around 4.3 million investor folios as of June 30, 2017 and had AAUM of ₹ 2,252 billion for the quarter ended June 2017, growing at a CAGR of 26% since quarter ended March 2013 to quarter ended June 2017.ABSLAMC also provides portfolio management services and investment advisory services to offshore funds and high net worth investors. ABSLAMC's portfolio management service is a highly customised service that helps HNIs fulfil their financial goals. ABSLAMC also provides portfolio management services and investment advisory services to offshore funds and Aditya Birla Real Estate Fund. ABSLAMC also manages funds of certain financial institutions and sovereign funds and has certain overseas subsidiaries and funds. Aditya Birla Capital Limited holds 51% of share capital of ABSLAMC and Sun Life (India) AMC Investments Inc. holds 49%.

Aditya Birla PE Advisors Private Limited ("**ABPE**") (formerly known as Aditya Birla Capital Advisors Private Limited) provides financial advisory and management services with focus on managing venture capital funds and alternate investment funds. ABPE is presently appointed as an investment manager to two SEBI registered domestic venture capital funds, namely, Aditya Birla Private Equity - Fund I and Aditya Birla Private Equity – Sunrise Fund, where it currently manages a gross AUM of ₹ 11.79 billion under these two funds. In addition, ABPE offers investment management and advisory services to domestic and global investors and partners with its portfolio companies to provide them strategic direction for their operations and growth. ABPE focuses on growth investments in mid-market companies, with India as the investment destination.

Aditya Birla Money Limited ("**ABML**"), a listed company with its shares listed on the BSE and NSE, is currently engaged in the business of securities broking and is registered as a stock broker with SEBI. It offers a wide range of solutions including broking, portfolio management services, depository and e-insurance repository solutions and distribution of other financial products. In addition, through its Aditya Birla Commodities Broking Limited ("**ABCBL**") subsidiary, it is engaged in the business of commodities broking. It is registered as a commodity broker with SEBI and is a member of MCX and NCDEX. It has a combined pan India distribution network with over 40 branch offices. ABCL holds 75% of share capital of ABML and balance is held by public.

Protection

Our life insurance subsidiary, ABSLI, is one of the leading private sector life insurance companies in India. As of June 2017, total AUM of BSLI stood at ₹ 351,804 million. (Source: Life Insurance Council) ABCL holds the 51% of share capital of ABSLI and Sun Life Financial (India) Investment Inc. holds the remaining 49%. ABSLI offers our customers solutions and products ranging from unit linked insurance products, participating and non-participating to pure protection. ABSLI offers a complete range of offerings comprising protection solutions, children's future solutions, wealth with protection solutions, health and wellness solutions, retirement solutions and savings with protection solutions.

ABHICL is engaged in the business of health insurance. MMI Holdings, our 49% joint venture partner, is a diversified financial services leader from South Africa. ABHICL's current product portfolio includes Group Activ Health, Group Activ Secure, Retail Activ Health and unique offerings including chronic care and incentivized wellness. Currently, ABHICL is present in 34 cities with 43 branches in India with around 3,054 agents and over 199 brokers (87 retail and 112 group brokers). The key philosophy of ABHICL is to move from "buy and forget" to "buy and engage" by looking beyond funding for basic sickness. It aims to help its customers know their health better through continuous engagement and adopt a holistic approach towards health management. Aditya Birla Wellness Private Limited, also a 51:49 joint venture with MMI Holdings, manages the wellness benefits under approved insurance products of ABHICL and is in the process of launching ‘Multiply’, wellness and rewards program which rewards customers with discounts on a variety of partner brands.

Advisory

Aditya Birla MyUniverse Limited (“**ABMUL**”) through its online money management platform www.MyUniverse.co.in (“**MyUniverse**”), offers its customers account aggregation of all financial services products including bank accounts, credit cards, loans, mutual funds, demat accounts, insurance, incomes and expenses in a highly secure environment. It is a rapidly growing platform and now has over 3.91 million registered customers with around 8% to 15% of them using the aggregation services. MyUniverse works with over 50 financial institutions to offer their services and products. In 2012, in a survey conducted by AC Nielsen covering 30,000 consumers across 36 markets, MyUniverse was voted as “Product of the Year” for innovation in the financial services category.

We provide general insurance broking and risk advisory solutions to companies and individuals through our insurance broking subsidiary, Aditya Birla Insurance Brokers Limited (“**ABIBL**”). ABCL holds 50.01% of share capital of ABIBL. ABIBL is among the leading players in the retail industry and enjoys a strong presence in the corporate business industry where it provides solutions to a vast array of sectors ranging from manufacturing and metals to financial services with a market share of 2.02% in fiscal year 2017 (*Source: General Insurance Council*).

Our Competitive Strengths

We believe that our historical success and future prospects are directly related to a combination of strengths, including the following:

1. ***Strong platform with a comprehensive range of financial solutions that positions us well to exploit growth opportunities in the Indian financial services industry***

   The strength of our financial services platform is highlighted by leading market position across various segments of our business. These include entities that are among the top five largest private diversified NBFCs in India based on AUM as of March 31, 2017(source: CRISIL), among the top five general insurance brokers in India, the 4th ranked asset management company in India (by domestic AAUM as published by AMFI for the quarter ended March 2017) and a leading private life insurance company in India. We believe that this breadth of offering coupled with strong market position and our brand image has resulted in significant goodwill towards our Company as well as beneficial customer relationships.

   Our array of businesses provides our customers with a full range of solutions for their financial needs, ranging from life insurance and health insurance to asset management and non-banking financial services. We are also engaged in growing businesses such as housing finance, health insurance and online personal finance management. The diversity of our service offerings enables us to cater to all customer segments, including corporate, SMEs, HNIs, retail and social/rural customer bases. We believe that we are thus a solutions provider across all the financial needs of our customers.

   Our businesses are supported by our large and well-established distribution network, spread across India and covering urban and semi-urban population centres.

   We believe that the range of our offerings, combined with our strong distribution network and established presence in key sectors positions us well to take advantage of the potential for growth in the financial services sector in India.

2. ***Strong franchises, established goodwill and customer relationships***

   One of our key strengths is our affiliation and our relationship with the Aditya Birla group of companies and the strong brand equity generated from the “Aditya Birla” brand name. We have been successful in creating strong and distinct franchises in India for certain business segments through continued efforts towards brand development. We operate in an environment where generating and maintaining brand recognition is a significant element of our business strategy. We believe that through our focus on continuous product innovation and premium customer services, our financial services businesses have created strong franchises. Our businesses have received several awards and recognitions, including “Overall Fund House of the Year” at Thomson Reuter Lipper Awards, 2017; “Best Fund House – Investor Education”, Best of the Best Awards at the Asia Asset

Management Awards, 2016. "Runner up – Equity AMC of the Year" at the Outlook Money Awards, 2016 and Birla Sun Life Insurance being ranked 4th in a customer loyalty study conducted by Kantar IMRB in 2017.

3. Large and established multi-channel network

Our businesses possess a strong and well-established multi-channel distribution network, which, as of fiscal year 2017, includes:

- Over 150,000 agents and channel partners;
- Over 82,000 life insurance agents;
- Over 54,000 independent financial advisors;
- Over 1,300 points of presence;
- Over 3,300 direct sales agents for our lending operations; and
- Tie-ups with 84 banks

This multi-channel approach to distribution enables us to reach all customer segments with significant on-ground presence, which we believe contributes to our new customer acquisition as well as maintaining ongoing customer relationships and helps us disseminate information about our financial service solutions. Our digital initiatives also complement our physical distribution infrastructure, driving efficiency and enhancing our customer experience.

4. Robust risk management processes

Management of risk is essential in a financial services business, and we believe we have in place robust mechanisms to manage our risk. Our target customers vary from institutions and large corporates through medium and small enterprises to HNIs and retail individual customers. We have in place credit analysis procedures for each of our financial products, depending on the nature of the customer, purpose of the financial product and the amount involved. We conduct verification procedures including analysis of financial information, document verification, background checks etc., as applicable. Our assessment of institutional borrowers encompasses analysis of their business viability, credit history, reputation and experience of their promoters and management, etc.

5. Broad based and integrated businesses resulting in synergies

We have an integrated and broad based business model offering a range of services across the financial services spectrum. This encompasses all customer segments in India, and we also have a significant geographic coverage through a broad-based, multi-channel distribution network.

We also benefit from the diverse revenue streams that result from our varied businesses. We believe that the wide range of financial products and services that we offer provide us complementary revenue streams that help balance against market cycles and provides us a natural hedge against downturns in any particular business segment or asset class. Our diversity extends not only across products and services, but customer segments and geographies in India as well. Our corporate services cater to customers ranging from very large corporates to small and medium enterprises, while our retail customers range from mass market to HNIs. Further, our geographic coverage extends across metro, urban and semi-urban population centres in India.

While our range of services enables us to provide solutions across a single customer's varied financial and investment requirements, we believe that our diversified businesses also lead to significant cross-selling opportunities (in compliance with applicable regulatory restrictions). This gives us a larger proportion of the customer wallet, and at the same time we are able to take advantage of internal synergies and economies of scale in our operations.

6. Track record of product innovation and performance

Across our business lines, we have continually sort to evolve with market movements and cater to customer needs and preferences. For example, in our financing business, over the years we have evolved solutions from capital market based lending through customised project and structured finance solutions to lending through our digital platform, and we propose to explore new products such as financing for healthcare and consumer durables. Further, in our investing business, we have introduced a robo-advisory equivalent website and developed products such as century SIP. We have also launched an online money management platform that offers our customers advisory and account aggregation services.

We believe that these products have seen positive customer response and our track record of innovation will stand us in good stead in the evolving financial services sector in India.

Our Key Strategies

Our vision is to be leader and role model in meeting our customers' broad based needs through an integrated financial services platform. We intend to continue increasing our revenues and market share and profitability through the following key strategies:

1. Expand reach and product offerings

We seek to continue to develop our geographic and customer coverage through expansion of our range of financial solutions as well as of our distribution network. We believe that our broad distribution network enables us to reach retail investors across the country. Further, increasing the range of our product offerings and distribution reach is key to maintaining and growing our market share in Indian financial services.

Our existing diverse range of financial solutions, coupled with our distribution network, organizational structure and culture provides us with the ability to offer various products and services from across our business to our expanding customer base, enabling us to increase our share of a customer's wallet. We believe this will continue to grow as we seek to improve our customer experience and efficiency including through the growth of our digital and online product offerings.

We also seek to continue growing our distribution network by increasing tie-ups with banking and other partners. We aim to achieve a strong multi-channel distribution network across our businesses with an optimal balance between direct channels such as agency and proprietary channels, tie-ups and partnerships with various participants as well as digital means for acquiring customer at scale.

2. Leverage synergies arising from integrated products and services under a unified brand

We believe that our broad based and integrated financial solutions offerings enable us to service our customers from "cradle to grave". Further, our key businesses offer us significant operational efficiencies and economies of scale across their large distribution networks and customer bases, which we believe can be leveraged to enhance our new product offerings as well and target accelerated growth in these segments.

Going forward, we propose to operate under a unified brand, "Aditya Birla Capital". We believe that this will be able to successfully leverage the strong brand recognition that the "Aditya Birla" name enjoys, and that the unified brand experience we will provide to our customers across our suite of financial services will enhance the customer experience. This will enable us to more easily cross-sell new products to our existing customers, as well as drive new customer acquisition across our businesses.

3. Innovation and digitisation to improve customer experience

We believe that our focus on constant innovation in product development and premium customer servicing will contribute to our future growth. We seek to provide differentiated offerings through product innovation tailored to customer needs across our businesses. With the customer at the core of our strategy, we aim to ensure customer retention and expansion by not only providing customised products and services but also by understanding the needs of our customers for which we engage with them through various means across our businesses. Thus, we seek to create a long lasting relation with our customers by providing them quality service and user experience. We have also innovated and launched various online platforms and digital services, portals, mobile applications and aggregation services to provide our customer ease of access to suite of financial services.

4. Pursue selective acquisitions, partnership opportunities and inorganic growth

We believe that the financial services market in India offers opportunities for inorganic growth in order to complement our existing businesses, and we will actively seek out such opportunities that, in our assessment, are aligned with our existing product and service lines. These opportunities could be by way of strategic acquisitions, joint ventures, new partner tie ups and asset purchases. We will pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

5. Continue to attract and develop talent

We currently have access to a talent pool of experienced professionals across our various businesses, who have significant experience across multiple industry sectors. Our senior management personnel in key businesses have over 20 years' experience in financial services. The quality of our leadership team has been instrumental in our growth story and we believe that the leadership team provides strategic direction towards growth and profitability.

We will seek to actively recruit and develop talent, with a focus on training and retention of key personnel. We believe that these steps will enable us to enhance our management capabilities and build bench strength in the longer term, while improving efficiency and profitability in the near term as well.

Our Key Businesses

I. Financing

A. Aditya Birla Finance Limited

Overview

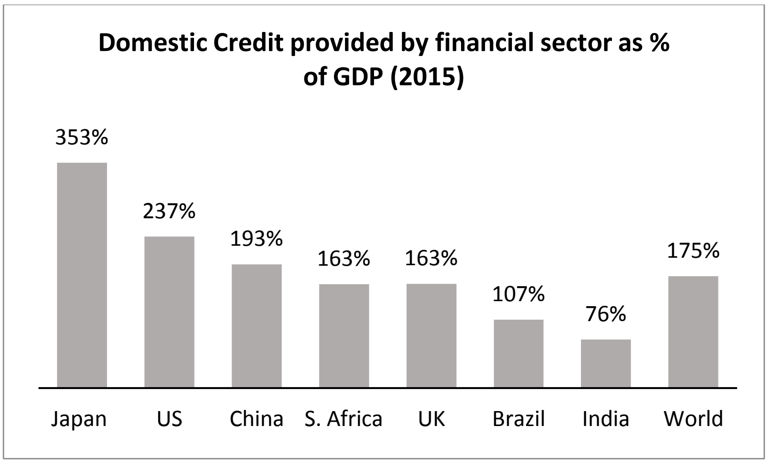
Aditya Birla Finance Limited ("**ABFL**") is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country. ABFL is registered with RBI as a systemically important non-deposit accepting non-banking finance company ("**NBFC**") and ranks among the top five largest private diversified NBFCs in India based on AUM as of March 31, 2017 (source: CRISIL). ABFL has grown approximately 9.5 times in the last five years with a loan book of approximately ₹ 347 billion as of March 31, 2017. For the quarter ended June 30, 2017, the loan book was at ₹ 362 billion. Along with its growth, ABFL has maintained healthy asset quality with GNPA of 0.47% as of March 31, 2017 on 120 DPD. For the quarter ended June 30, 2017, the GNPA was at 0.5% on 90 DPD. This is reflected in its short term credit rating of A1+ by ICRA, long term credit rating of AA+ (with stable outlook) by ICRA and perpetual debt credit rating of AA (with stable outlook) by ICRA and India Ratings.ABFL is certified as ISO 9001:2015 across all its core functional processes in March 2017 by BSI, a leading global independent business services organization.

ABFL caters to the varied needs of diverse set of customers ranging across retail, HNI, ultra HNI, micro enterprises, SME, mid and large corporates. ABFL offers customized solutions in areas of personal and business loans, corporate finance, mortgages, capital market based lending, project loans, structured finance, wealth management and digital lending, debt capital markets and syndication.

Headquartered in Mumbai, ABFL has a pan-India presence with 34 lending branches spread across 18 cities as of June 30, 2017. ABFL also has a wide distribution network with over 2,300 direct sales agents ("**DSA**") and 4,944 channel partners as of June 30, 2017.

Industry Overview

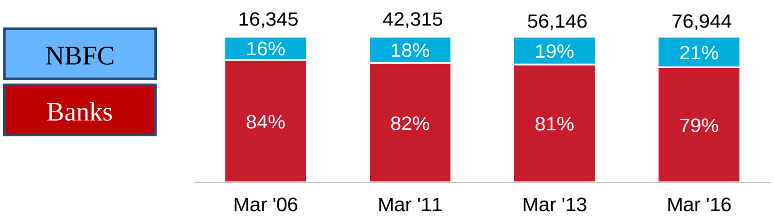
While the banking system in India has proved to be robust and has withheld the 2008 global financial crisis, the penetration of banking system is still low as a large part of India's population is still unserved or underserved.



Source: International Monetary Fund, International Financial Statistics and data files, and World Bank and OECD GDP estimates

NBFCs have been instrumental in lending to both small retail participants and upcoming MSMEs as well as established large corporates and institutions. The NBFC industry has grown not only in absolute terms but also in terms of share of overall credit growth. As indicated in the chart below, during the period from March 2006 to March 2016, NBFCs (including HFCs) have grown at a CAGR of 20% while banks have grown at CAGR of 16 and NBFCs' share of credit growth in India vis-à-vis banks has also expanded from 16% to 21%. This growth has been achieved in a sustainable and profitable manner.

Rising share of NBFCs (including HFCs) vis-à-vis banks



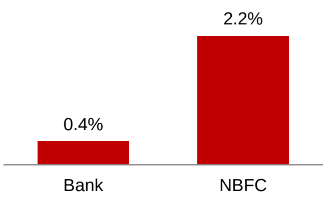
10 year CAGR

NBFCs 20%

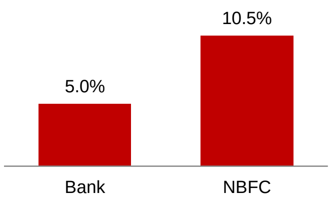
Banks 16%

Source: Broker Report

ROA

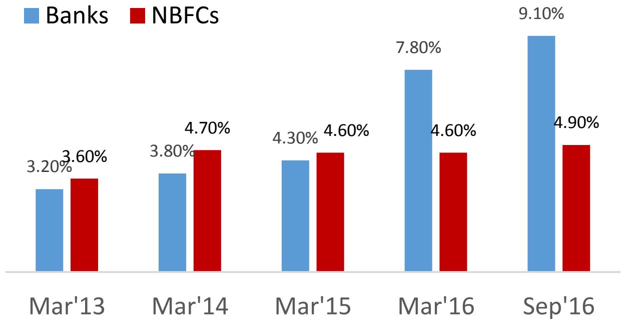


ROE



Note: ROA and ROE are half year ended September 30, 2016. ROA and ROE are annualized.
Source: RBI

Significantly Lower Gross NPAs



Source: RBI

With concerns over the asset quality and credit growth in the banking sector, NBFCs are supporting and funding the demand for credit emanating from India's growth story. ABFL believes that industry growth is mainly driven by product customization, superior turn-around time, tight cost control, effective risk management, customer centricity, process efficiency and a ground level relationship model.

NBFCs, as an industry are going through a fast evolution cycle. Over the last decade, specialization was key to the growth of a NBFC. While going ahead, ABFL believes that diversification in terms of product offering and customer base is going to be the key to the growth of NBFCs' share of credit growth. This will be further augmented by an efficient use of digital data available through partnerships as well as customer engagement, to create unique customer experiences.

As the industry evolves, supply and demand is expected to witness a push on account of the significant demand for credit needs of the self-employed professionals and MSMEs in the economy, ease of doing business due to de-regulation, de-licensing and simplification of procedures giving a boost to Make-in-India initiatives, government focus on infrastructure investment and initiatives such as "Housing for All" by 2020. Further NBFCs are also expected to cater to financial and credit demands posed by the development of smart cities and the affordable housing sector. Additionally, digital India projects and e-commerce growth will give impetus to the SME sector and NBFCs can service this segment by successfully competing with banks. ABFL believes that the NBFC industry's growth will depend on its agility in creating an optimum product mix and customer mix with the optimal geographic spread. ABFL also believes that having a strong brand and parentage and easier fund access is crucial for NBFCs for maintaining sustainable growth.

Key Customer Segments of ABFL

ABFL caters to the needs of diverse set of customers ranging from retail, high net worth individuals ("**HNI**") and ultra HNIs, micro, small and medium enterprises (MSME) to mid corporates and large corporates through lending, financing and wealth management solutions, customized for each customer segment, as indicated in the table below:

Retail / HNI / Business Owner / Micro Enterprises	Ultra HNI	SME	Mid Corporate	Large Corporate
Loan Against Property (LAP)	Loan Against Property (LAP)	Term Loan	Term Loan	Term Loan
Unsecured Personal Loans	Promoter Funding	Loan against Property (LAP)	Structured Financing	Structured Financing
Unsecured Business Loans	Loan against Securities (LAS)	Lease Rental Discounting (LRD)	Construction Finance	Project Finance
Loan Against Securities (LAS)	IPO Financing	Vendor Financing	Debt syndication	Fixed Income Investment
IPO Financing	Debt Syndication	Channel Financing	Debt Capital Market (DCM) Desk	Debt syndication
ESOP Financing	Wealth	Broker Funding	Treasury Services	Debt Capital

Retail / HNI / Business Owner / Micro Enterprises	Ultra HNI	SME	Mid Corporate	Large Corporate
	Management			Market (DCM) Desk
Digital Lending			Wealth Management	Treasury Services
Wealth Management				Wealth Management

Since the year 2010, ABFL has grown from being a niche NBFC to a well-diversified NBFC catering to a wide range of customer segments, as discussed below.

1. Retail / HNI / Business Owner / Micro Enterprise Segment

With economic growth and development in India, there is an increase in income levels and aspiration of ABFL's target customers in the retail / HNI / business owner / micro enterprise segments. These segments are further expanding with the government's ongoing financial inclusion program.

To fulfil such personal, investment and business needs of ABFL's customers and to help them meet contingencies or any unexpected liquidity crunch, ABFL has built an entire spectrum of lending, financing and wealth management solutions. It includes (i) loans against property ("**LAP**"), (ii) unsecured personal loans, (iii) unsecured business loans, (iv) loan against securities ("**LAS**") which can be availed against marketable securities such as shares, mutual funds, bonds, etc. as well as insurance policies, (v) IPO financing which offer customers an opportunity to leverage their funds in primary markets to increase allotment quantum in IPO, and (vi) ESOP financing by acquiring the allotted shares of customers with flexible repayment options. ABFL also offers wealth management solutions to such customers through distribution of third party products.

With a view to leverage technology to access new age customers, ABFL has created an online financing platform, both on the SME and consumer side, called ABFLDirect.com, which will be among the first of its kind in India with lead acquisition, assessment and servicing performed through an all-digital route.

Going forward, ABFL's focus is on scaling up the online platform to launch multiple retail products such as personal loans, consumer durable loans, home loans, loans against securities, education loans, loans for doctors and other professionals and lifestyle loans among others and the same would be marketed through various channels to acquire and serve new customers.

2. Ultra HNIs

This segment caters to ultra high net worth individuals and promoters of companies borrowing and investing in their personal capacity or through investment companies.

ABFL provides solutions in the form of LAS, IPO financing, LAP to allow this segment to raise funds quickly against security of shares, mutual fund units, bonds, property or a combination thereof. Similarly, this segment has credit needs to expand and grow by starting new operations, entering new markets and introducing new products or for increasing stake in their companies through warrants conversion, subscribing to rights issues, equity infusion in other business or leveraging funds in primary market. ABFL offers promoter funding to meet such demands. ABFL offers debt syndication services by underwriting and syndicating loan transactions along with wealth management solutions through distribution of third party investment products.

3. SME Segment

With the Indian economy expected to emerge as one of the leading economies in the world, major impetus is being given to the SME sector which acts as the backbone of the Indian economy. With the larger goal of economic growth, government plans to make financial and technical support more accessible through initiatives such as 'Public Procurement Policy', 'Make in India', 'Startup India' and 'Skill India'.

ABFL caters to the needs of this segment arising from business financing requirements through solutions like term loans, LAP and LAS. ABFL also caters to demand arising out of working capital requirements through its solutions like vendor financing, channel financing, etc.

ABFL offers products like LRD to enable clients to monetize and unlock value of their property with rent from lessees becoming the source of repayment.

ABFL aims to grow its SME loan book by serving manufacturers, exporters, dealers and vendors across the value chain of existing as well as prospective large and mid-corporate clients and Aditya Birla Group eco-system.

4. Mid-Corporates

Mid-corporate clients seek customized and innovative solutions to meet their long term working capital requirements, short term business loans, acquisition finance and equity investment requirements, apart from the conventional balance sheet loans.

ABFL's core competence in catering to this segment lies in its ability to offer customised offering through structured financing solutions. ABFL's strategy is to grow the asset book significantly with a risk-reward balance and at the same time, build strong relationship with SMEs that over a period of time grow into mid-corporates. This segment is primarily catered through direct relationship managers.

ABFL caters to this segment with products and solutions like term loan, structured finance and construction finance. ABFL also offers debt syndication services by underwriting and syndicating loan transactions. Further, ABFL helps the clients' treasuries by offering third party investment products such as mutual funds, commercial papers, NCDs and alternate assets. Further, through a dedicated DCM desk, ABFL offers innovative structures and products to this customer segment.

5. Large Corporate

In this segment, ABFL serves large corporates across sectors such as manufacturing, infrastructure, hospitality, education and healthcare sectors. This segment provides a wide range of opportunities for ABFL to grow its asset book. However, ABFL's strategy has been to be opportunistic and selective in this segment by targeting top-notch corporate clients depending on the promoter and group profile, business fundamentals and growth prospects.

ABFL caters to this segment with term loans as well as customized and innovative products such as structured financing. ABFL also provides project finance to large corporates by underwriting solutions for mid-sized projects, and for larger projects, by jointly underwriting transactions with other lenders such as banks and institutions. ABFL further offers debt syndication services by underwriting and syndicating loan transactions.

Similar to mid-corporate segment, ABFL helps the large corporate clients' treasuries by offering third party investment products such as mutual funds, commercial papers, NCDs and alternate assets. Through its dedicated DCM desk, ABFL offers innovative structures and products to its large corporate clients.

ABFL provides customized fixed income solutions through investments in NCDs issued by large corporate clients in both primary and secondary markets. By tracking domestic and global financial markets closely, coupled with sound understanding of the prevailing macro-economics, debt markets, interest rates, foreign exchange rates, as well as the geo-political environment, ABFL is well placed to identify suitable investment opportunities.

ABFL is committed to build a sustainable business, thus there is continuous evolution of its people, sourcing and underwriting strategy and recovery process to ensure a healthy, growing and profitable portfolio.

Robust risk management process and governance framework

ABFL's risk philosophy aims to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While ABFL is exposed to various types of risks, the most important among them are credit risk, market risk, asset liability management ("**ALM**") risk and operational risk. The identification, measurement, mitigation, pricing and monitoring of the risks remains a key focus area for ABFL. In order to identify and understand the underlying risk, ABFL undertakes various checks through databases like CIBIL Score, RBI defaulters, SEBI defaulters and United Nations Security Council Resolutions (UNSCR). Comprehensive assessment of risks is facilitated through underwriting procedures leaving no scope for ambiguity in appraisal methodology. Further, ABFL ensures regular monitoring of risk through creation of a unique client ID, early warning mechanism, system based covenant and post disbursal documentation monitoring with escalation protocol and robust audit framework. ABFL has a robust risk based pricing framework, incorporating factors such as customer assessment criteria, tenure and quality of the collateral. The Risk Committee of the board of ABFL reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposure and provides oversight of risk across the organization.

ABFL's credit risk management structure includes overarching credit policies and procedures and the risk framework defines prudential limits, portfolio criteria, exceptional approval matrices, etc. The Credit Committee of ABFL not only approves counter-party credit exposure in line with the delegation of limit authority assigned by ABFL's board of directors, but also focuses on post sanction monitoring. ABFL has developed an online monitoring tool which helps in tracking all the covenants and documentation with escalation matrix built in to enable continuous monitoring and resolution of outstanding covenants. Portfolio risk is mitigated through concentration risk management, breaches and exception monitoring, and asset quality monitoring. The Audit Committee of the ABFL's board of directors provides direction to and monitors the quality of the internal audit function and also monitors compliance with inspection and audit reports of RBI, other regulators and statutory auditors. Risks associated with frauds are mitigated through a fraud risk management framework.

Prudent asset liability management is core to the treasury strategy at ABFL. Overall, ABFL is guided by the limits set by RBI on the permissible mis-matches and maintains sufficient unutilised bank lines/term loans to meet business growth and liquidity events.

ABFL believes in continuous improvement and therefore continuous self-evaluation on global frameworks on business and HR excellence. ABFL's efforts have been recognized and appreciated by external agencies. Set forth below are the awards and laurels that ABFL has received recently:

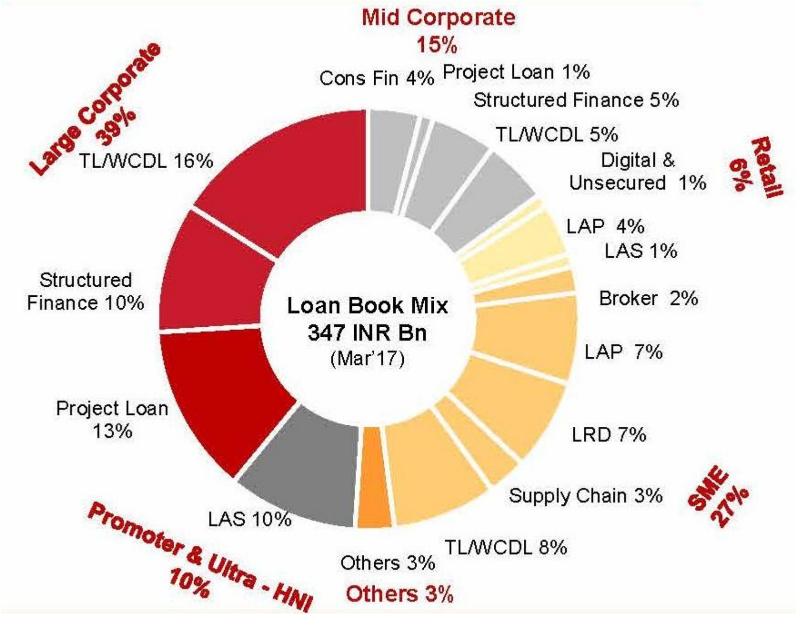
- Recognized at Confederation of Indian Industry – HR Excellence Awards in 2016 under "Strong Commitment to Excellence" category
- ABFL's Quality Circle team won "Par Excellence Trophy" at National Convention – Quality Circle Forum
- Awarded "Most admired service provider in Financial Sector" at Annual Lokmat: BFSI Award Category
- Won Skoch "Order of Merit Award" on "Making India $20 Trillion Economy" under "Business Strategy" category

Key Competitive Strengths of ABFL

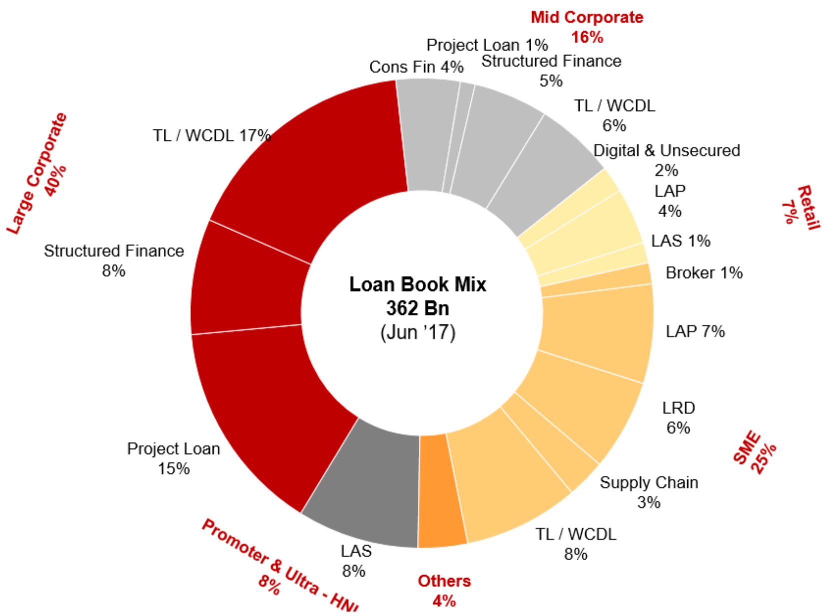
1. Ability to set up and scale new product lines resulting in diversified portfolio

ABFL believes in taking the ladder-up approach on introduction of new products lines and has a successful track record of entering and expanding the same. ABFL has been successful in leveraging its initial expertise in capital market based lending and large corporate lending to develop new business and product lines such as LAP, LRD, project loans, structured finance, unsecured business loans, digital finance, etc. with current focus on expanding the SME and retail sector. Our diversified loan/portfolio mix is indicated in the chart below:

Loan Mix as on March 31, 2017



Loan Mix as on June 30, 2017

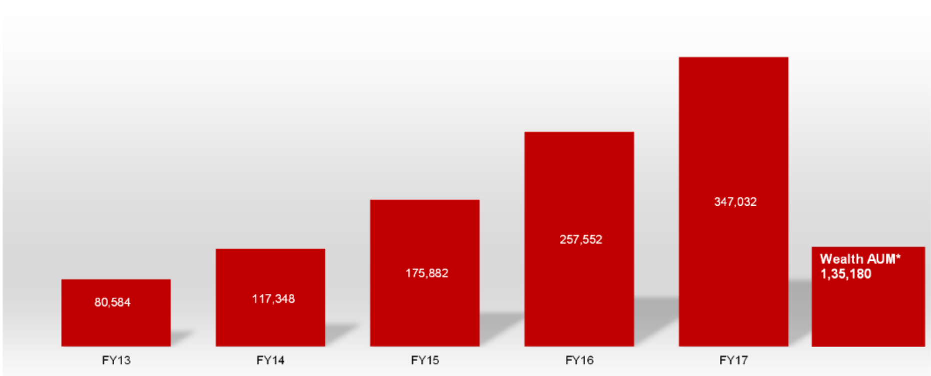


This diversified portfolio of products ensures that ABFL is able to target all demographic sectors and insulates it from fluctuations in specific areas. It also enables ABFL to cross-sell its product lines. We believe that this diversified suite of products and services and proven track record of performance make ABFL uniquely qualified to marry scale with flexibility and benefits its operations significantly.

2. ***Strong track record of consistent growth, improving operational efficiency and profitability***

Indian economy continues to be among the bright spots for growth globally being relatively underpenetrated and overall credit growth in India has been robust. NBFCs in India have seen an increase in the market share of credit growth over the last decade which can be attributed to better reach and service quality. For the decade ended March 2016, NBFCs have gained an increasing market share of the total credit market with approximately 21% of the total credit market now being served by NBFCs and housing finance companies and a corresponding decrease in the market share of banks.

ABFL has achieved substantial growth since its inception. ABFL's loan book has grown from ₹ 80.6 billion in fiscal year 2013 to ₹ 347.0 billion in fiscal year 2017. ABFL's loan book has grown significantly in last five years with a CAGR of 44.1%, and it has achieved a strong growth in lending book, revenue and profitability while ensuring healthy quality of loan book in a credit challenged environment, as indicated in the chart below:



(in ₹ million)
Wealth management business merged with ABFL with effect from April 1 , 2016

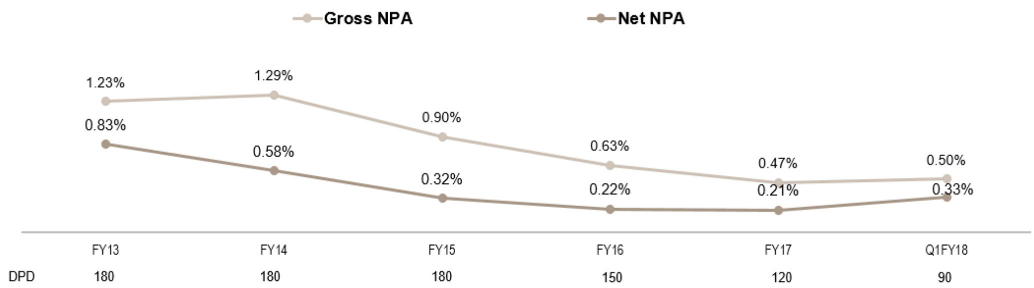
For the quarter ended June 30, 2017, the loan book was at ₹ 362,498 million and the Wealth AUM was at ₹ 120,870 million.

ABFL registered revenue from operations of ₹ 34,246.96 million in fiscal year 2017, growing at a CAGR of 47.9% from fiscal year 2013 while its profit before tax for fiscal year 2017 was ₹ 8,319.33 million which grew at a CAGR of 54.2% from fiscal year 2013. For the quarter ended June 30, 2017, ABFL registered revenues from operations of ₹ 10,272.10 million and a profit before tax of ₹ 2,582.36 million.

In a growing credit market such as India, ABFL's consistent growth and operational efficiency position it well to take advantage of attractive opportunities enabling it to continue its upward trajectory.

3. *Maintaining high asset quality with high growth*

Efficient risk management and prudent client selection is clearly reflected in ABFL's low NPAs. With RBI's NPA recognition norms becoming stringent year on year, from 180 Days Past Due ("**DPD**") in fiscal year 2015 to 150 DPD in fiscal year 2016 and 120 DPD in fiscal year 2017, we believe ABFL has had one of the best and declining NPA ratios in contrast to rising NPAs in the industry. ABFL has moved to 90 DPD with effect from April 1, 2017. ABFL's robust risk management model has resulted in higher asset quality and lowering of NPAs which in turn has increased its profitability. ABFL has been able to ensure a high quality book across its customer segments. The following chart shows the decline in NPA levels of ABFL over the last five fiscal years:



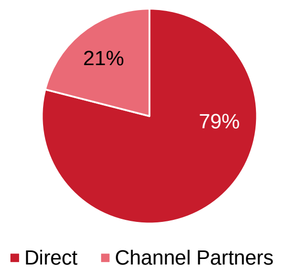
ABFL's multi-pronged credit appraisal approach has helped in reducing bad loans. Further, ABFL has processes in place to conduct regular monitoring including through its early warning stress model and in-depth analysis of cash flow and needs of the borrower. A lower cost of borrowing enables business verticals to be competitive in the lending space and bid for high quality assets. ABFL leverages existing as well as new relationships with lenders to enhance its limits and borrow at competitive rates. This enables ABFL to remain profitable while being selective in its lending.

4. ***Pan India presence with strong direct sourcing***

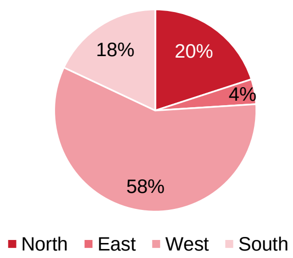
ABFL has a geographical footprint across the length and breadth of the country with 34 lending branches spread across 18 cities as of June 30, 2017. ABFL believes that with its depth and breadth of product and service portfolio, it is deepening its presence across its retail and corporate customers. ABFL has a balanced mix of sourcing through own channel and external channels with its direct channel contributing to 79% of its business in fiscal year 2017 and 81% for the quarter ended June 30, 2017.

The focus is now on to leverage digital channels to acquire customers at scale. This pan-India geographic presence along with focus on digital channels coupled with strong brand recognition are key advantages for ABFL.

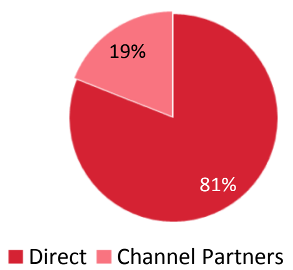
Sourcing Mix (%) – FY 2017



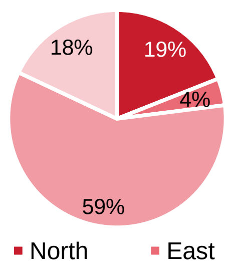
Geographical Mix - % of Loan Book – FY 2017



Sourcing Mix (%) – Q1 FY 2018



Geographical Mix - % of Loan Book- Q1 FY 2018



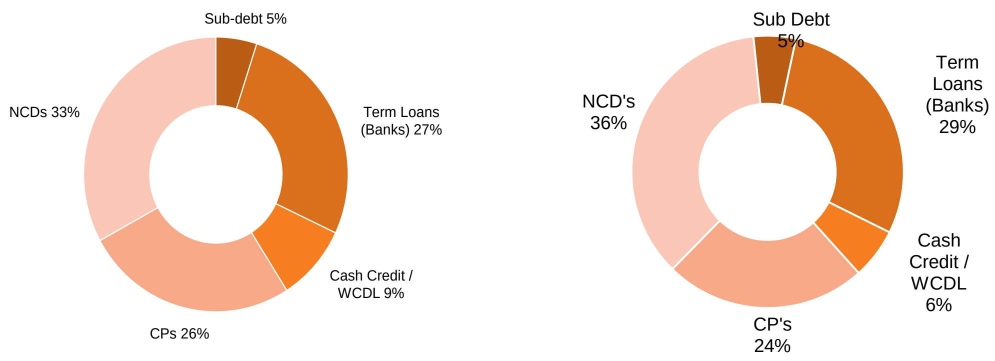
5. ***Differentiated Customer Experience***

ABFL believes that technology and automation are of paramount importance to its business and it has leveraged the same for an efficient and effective system across its business lines. It has made significant investments in IT platforms to enable seamless on-boarding and servicing of its customers. Given the changing technological landscape, it has also developed digitised mode of acquiring and servicing customers. ABFL has a customer centric approach focussed on consumer needs and quality of service. ABFL aims to reduce the end to end turn-around time ("**TAT**") for customers by automating over 90% of the critical back-end processes which has created a differentiation for ABFL's customer service experience.

6. ***Efficient Treasury Management Supporting Growth***

ABFL's treasury team dynamically manages the borrowing mix to ensure availability of funds and to optimize the borrowing cost. The borrowing mix of ABFL as of March 31, 2017 is indicated in the chart below:

FY 2017 **Q1 FY 2018**



Backed by ABFL's strong financials and Aditya Birla Group's brand equity, ABFL is able to borrow at competitive rates. In line with changing asset profile and debt market scenario, ABFL's borrowing mix has gradually evolved from a high reliance on short term debt to a well-balanced borrowing mix at present. It also gives the needed flexibility to time the borrowings and take advantage of interest rate movements. ABFL believes that a lower cost of borrowing enables business verticals to be competitive in the lending space and bid for high quality assets.

Key Strategies of ABFL

1. ***Growing existing business and focus on further diversification and "retailisation" of the book through foray into new business lines***

ABFL has sought to build a strong and granular retail strategy through selection of new segments and achieving customer count targets while making sure that the portfolio quality remains high. Unsecured lending focused on personal and business loans is expected to continue to add customers while further diversifying into sub-segments such as education loans and consumer durable financing. ABFL's mortgage business will continue to tap into fast growing retail, micro enterprises and SME segments taking advantage of increased demand for smaller ticket size loans.

With introduction of new products year after year, ABFL has created a customer base that spans the economic value chain. ABFL proposes to leverage this existing customer base by cross-selling and venturing into new business lines with high potential including healthcare financing, education loans and consumer durables finance. ABFL also plans on enhancing its risk management process by deploying alternative credit models through social scoring, transaction data etc. and early warning mechanism. We believe these steps will enable ABFL to continue to grow its retail customer base as well as cross-sell new products to its existing customers.

2. ***Increase cross selling including by leveraging technology and automation***

ABFL plans to shift focus to platform creation to empower all functions and businesses to scale exponentially with emphasis on automated customer services and incorporating digital touch points for better service delivery by leveraging its technology, database and internal practices. This will be achieved through automated internal loan on-boarding and loan management systems for faster turn-around time. ABFL also plans to incorporate digital on-boarding systems for faster lead generation with the aim of achieving exponential growth in number of customers.

ABFL plans on acquiring new customer through online sourcing and credit appraisal as well introducing mobile/tab based on-boarding of customers. Emphasis on cross-sell and up-sell helps to capture higher wallet share per customer and achieve higher diversification of portfolio. ABFL also plans to leverage the brand recall and customer bases of the Aditya Birla Group to increase the number of products per customer.

3. Enhance its customer centric approach across business lines

ABFL seeks to strengthen its products, underwriting, operations, service, systems, processes and people capabilities around the customer. This customer centric philosophy is supported on four pillars of 'Acquisition', 'Retention', 'Deepening of relationship' and 'Advocacy'. The dedicated customer service team works closely with business and support functions to ensure every customer is given a superlative end to end experience from prospecting to on-boarding to post sales service stages. As ABFL evolves over its lifecycle, it continues to transform its perspectives with being able to accurately profile and pre-empt customer needs. At the same time, ABFL's initiatives are also geared towards ensuring quality of service on a scalable and sustainable basis. Diversification in terms of customer base creates an extensive matrix with synergy across products to expand NBFC's share of credit availed by every user. This will be further augmented by an efficient use of the digital data available through partnerships as well as customer engagement, to create a unique customer experience which is a combination of human relationship and digital support. Thus, revamping and investing in its existing capabilities, skills and infrastructure to strengthen its "Service in Advance" proposition is key for ABFL's continued success.

4. Continue focus on risk management and governance framework

ABFL has robust risk management processes in place which enable it to maintain a healthy portfolio in accordance with its risk appetite. Its regular monitoring of risks and its governance frameworks such as risk based pricing framework, credit policies and procedures and exceptional approval matrices as well as ABFL's online monitoring tool enhance ABFL's supervision and control over its risk exposure. As ABFL's business continues to grow and in light of regulatory policies aimed at reducing NPAs, ABFL will continue to undertake self evaluation, improve its risk management processes and adopt best practices in line with global standards.

Financial Information

For the summary of audited financial statements of ABFL for the last five fiscal years, see "Summary of Financial Information" on page 28.

The complete audited financial statements of ABFL for the last five fiscal years are available at http://adityabirlacapital.com/Pages/Investors/FinReports.aspx.

Key Performance Indicators of ABFL

Particulars[1] (in ₹ million)	**Fiscal Year 2013**	**Fiscal Year 2014**	**Fiscal Year 2015**	**Fiscal Year 2016**	**Fiscal Year 2017[2]**	**Q1 Fiscal Year 2018[2]**
Total Revenue	**7,200.1**	**12,031.3**	**17,804.5**	**24,866.0**	**34,266.6**	**10,272.1**
Net interest income	**2,360.6**	**4,083.0**	**6,059.4**	**8,391.1**	**11,949.5**	**3,921.3**
Fee Income (Incl DCM & Syndication)	447.8	508.1	680.9	1,039.1	1,546.5	473.8
Operating expense	1,011.1	1,401.5	1,993.0	2,304.7	4,187.5	1,305.3
Diminution in Inv / Bonds	48.3	12.7	21.5	53.2	22.6	15.4
Prov of Std Assets	110.8	83.3	142.1	327.2	419.1	206.9
Prov for Bad Debts	166.8	580.5	475.2	481.6	547.5	285.2
Profit before tax	**1,471.5**	**2,513.2**	**4,108.5**	**6,263.6**	**8,319.3**	**2,582.4**
Profit after tax	**1,003.0**	**1,657.1**	**2,706.8**	**4,086.0**	**5,852.5**	**1,703.1**
Key balance sheet items						
Loans	80,583.6	1,17,347.8	1,75,882.0	2,57,552.0	3,47,032.3	362,498.2
Borrowings	69,030.6	97,207.7	1,45,937.1	2,14,089.7	2,89,131.5	304,450.1
Equity	10,786.1	17,692.3	25,848.3	36,958.0	49,913.3	51,606.7
Margins						

Particulars[1] (in ₹ million)	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017[2]	Q1 Fiscal Year 2018[2]
Yield on advances	13.53%	13.29%	12.97%	12.38%	11.77%	11.35%
Cost of funds[3]	8.42%	8.35%	8.20%	7.84%	7.38%	6.73%
NIM (incl Net Processing Fee) Excl DCM & Syndication Fees	5.11%	4.94%	4.77%	4.54%	4.39%	4.62%
Operating efficiency						
Cost income ratio	36%	31%	30%	24%	31%[4]	30%[4]
Profitability						
RoE[5]	14.30%	13.07%	14.63%	15.42%	15.43%	14.36%
RoA	1.92%	1.85%	2.00%	2.08%	2.07%	1.95%
Asset quality						
GNPA ratio	1.23%	1.29%	0.90%	0.63%	0.47%	0.50%
NNPA ratio	0.83%	0.58%	0.32%	0.22%	0.21%	0.33%
CAR	17.51%	18.54%	16.94%	16.15%	17.33%	17.59%

(i) *Financial information is derived from the audited financial statements for the relevant period.*

(ii) *For fiscal year 2017 and Q1 fiscal year 2018, this includes the wealth management business and the same may not be comparable.*

(iii) *Cost of funds is equivalent to borrowing cost divided by interest bearing average borrowing plus average net worth*

(iv) *For fiscal year 2017 and Q1 fiscal year 2018, Cost Income Ratio (excluding wealth management business) was 27%*

(v) *ROE is simple equivalent to monthly compounding*

B. Aditya Birla Housing Finance Limited

Overview

Aditya Birla Housing Finance Limited (“**ABHFL**”), our subsidiary, is a fast growing housing finance company (“**HFC**”) in India with a net worth of ₹ 4,211 million and lending book value at ₹ 48,162 million as on June 30, 2017. ABHFL, initially incorporated in 2009 as an investment company, commenced operations in the housing finance sector in October 2014 and significantly transformed its business by expanding its footprint to 40 branches and over 1,900 channel partners, as of June 2017. ABHFL is registered with the NHB as a systemically important non deposit accepting housing finance company. ABHFL aims to enhance its focus on tie-ups with developers and builders, along with achieving the right balance of sourcing and product mix and increasing its penetration by cross selling and up-selling.

The housing finance industry in India is growing on account of factors such as rapid urbanization, improved affordability due government’s focus on affordable housing, encouraging regulatory environment and positive demographic trends.

According to ICRA’s estimates, the total housing credit has grown by 16% YoY taking the overall housing credit to ₹ 14.4 trillion as on March 31, 2017 as compared to ₹ 12.4 trillion as on March 31, 2016. While there was a slowdown in the growth of total housing credit from 19% in fiscal year 2016 to 16% in fiscal year 2017, HFCs and NBFCs continue to grow at a faster pace as compared to banks, with HFCs growing at a rate of 18% and banks growing at a rate of 15% for the fiscal year 2017. The share of HFCs and NBFCs in the overall mortgage finance market remained at around 37% as on March 31, 2017, with commercial banks accounting for the rest 63%.

In the fiscal year 2017, HFCs reported a 20% portfolio growth supported by a higher 27% YoY growth in the non-housing loan segment while the home loan portfolio of HFCs grew by 18% YoY in fiscal year 2017. ICRA expects HFC home loan to grow at around 19-21%, in the fiscal year 2018 and non-housing loan to grow at around 22-26%, leading to overall portfolio growth for HFCs of around 19-21% in the fiscal year 2018.

With finance sector in India struggling with non-performing assets, the housing finance industry has one of the lowest credit losses overall. Further, factors such as disbursements against construction linked loans, growth in the small-ticket affordable-housing segment, demand from tier II and III cities and increase in primary sales during the festive season has led to housing credit growth over the years.

ABHFL's net worth, which ABHFL defines as its total assets less its total liabilities, increased by 106% rising from ₹ 2,048 million in fiscal year 2016 to ₹ 4,211 million as of June 2017, turning ABHFL's business profitable within seven quarters of full operations. ABHFL's loan portfolio has grown from ₹ 1,419 million as of fiscal year 2015 to ₹ 48,162 million by June 30, 2017.

Through its lending solutions, ABHFL assists its customers in achieving their dream of owning a home. With an employee strength of 629 as of June 2017, ABHFL offers a complete range of housing finance solutions such as home loans, home improvement and construction loans, balance transfer and top-up loans, loans against property and construction finance ("**CF**"). As of June 30, 2017, housing loans constituted 58%, CF constituted 11% and loans against property ("**LAP**") constituted 31% of ABHFL's total loan portfolio. ABHFL believes that the relatively higher yields, along with demand from self-employed customers for relatively larger average loan sizes and their relatively better loan servicing capability, make loans to self-employed customers and LAPs attractive market segments for ABHFL.

Some of the key products and services offered by ABHFL include:

Home Loans: These are fully loaded and bundled home loans, designed specifically for the needs of each and every customer.

Home Improvement Loans: These loans are offered to the customers for the purpose of carrying out renovations, repairs, improvements and extensions for their existing residential property.

Home Construction Finance: ABHFL assists its customers in constructing their own residential property. The loan amount can be funded either directly to the architect or the engineer of the property or to the customer based on a detailed cost estimate provided by the architect or the engineer.

Balance Transfer with Top-Up Loans: This product enables the customers to transfer their existing loans and get additional top-up loans, at attractive and competitive interest rates.

LAP: This loan, offered against existing residential or commercial property of the customers, allows them to utilize the funds for fulfilling their personal financial objectives.

Further, the recent push by the government to provide "Housing for All" by 2022 and various steps taken to implement the same are expected to boost sales of affordable and low-cost housing units and consequently need for financing for this segment.

Affordable housing segment is likely to continue to grow at a faster pace than industry supported by the government's efforts to address supply, demand and affordability issues. The union budget of government of India for fiscal year 2018 maintained its focus on the agenda of "Housing for All" by 2022 with 39% higher allocations as compared to fiscal year 2017 under the 'Pradhan Mantri Awas Yojana' ("**PMAY**"). Further, the 'infrastructure' status accorded to affordable housing projects is likely to encourage the participation of a wider investor community and improve access to funding avenues such as insurance and pension funds and boost supply. Further, extension of the 'Credit Linked Subsidy' scheme to loans of value up to ₹ 1.2 million is likely to expand the eligible borrower base and also improve affordability of the borrowers owing to lower equated monthly instalments ("**EMIs**") and debt burden ratios. All these supporting factors, coupled with the current low to moderate penetration levels are likely to help growth in the affordable housing segment.

Further, aided by the Government's "Housing for All" by 2022, falling mortgage rates and rising per capita income ensuring demand, and simultaneous addressing supply side issues through creation of 'National Investment and Infrastructure Fund (NIIF)' and providing infrastructure status to affordable housing among other initiatives, we expect a growth in sales of affordable and low-cost housing units and consequently, demand for financing for the same. ABHFL aims to synergize and leverage existing ABCL branches for geographical reach and is aiming to build a high quality, profitable portfolio with steady ROE.

Key Competitive Strengths of ABHFL

1. Strong distribution network

ABHFL focusses on its distribution capabilities and delivery infrastructure which has grown to 40 branches in fiscal year 2017. In addition to the growing distribution network, over 1,900 channel partners were empanelled as of June 30, 2017 to improve ABHFL's indirect sourcing capabilities. In the direct sourcing space, online customer acquisition, builder associations and the Aditya Birla Group ecosystem are effectively leveraged.

The significant retail and corporate presence of our Company has benefitted ABHFL largely in terms of obtaining high credit ratings and raising capital by maintaining a line of credit facility with our Company that ABHFL leverages in order to meet any short-term or immediate funding requirements.

2. Cross selling opportunities and extensive reach of the Aditya Birla Group

ABHFL's relationship with the Aditya Birla Group and the ability to use the "Aditya Birla" brand brings reliability in customer interaction and positioning of its products in the highly competitive housing finance industry. We believe that support from Aditya Birla Group will continue to reinforce ABHFL's efforts to grow its business in the future. Further, ABHFL believes that its experience in understanding customer preferences by assessing income levels has enabled it to effectively build its housing loan portfolio.

ABHFL has also invested significantly in setting up key systems and processes for loan origination till on-boarding and servicing backed by a robust operations platform. With effective recruitment process and capabilities added incrementally over the years, the resultant performance of ABHFL's business has been highly satisfactory as it has positioned itself well to tap into the housing finance market growth. We also believe that these initiatives have helped ABHFL in making significant improvements in its competitive position and scale of operations, which, among others, have helped ABHFL to achieve continued growth in the loan portfolio during the period between fiscal years 2015 and 2017.

Our Company's expanding operations, strong market position, combined with growing size and scale, and our national presence allow ABHFL to benefit from the significant growth potential in the Indian housing finance industry and enable ANHFL to take advantage of the existing customers of our other businesses.

3. Robust Risk Management Framework

ABHFL's comprehensive risk management framework and robust policies and processes have minimized the risk of uncertainty and helped it develop and maintain a healthy portfolio within its risk appetite and regulatory framework. The risk management strategy of ABHFL is based on a clear understanding of various risks, disciplined risk assessment, measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

ABHFL has developed expertise in underwriting all kinds of customer segments including but not limited to salaried professionals, self-employed professionals and self-employed non-professionals. ABHFL's underwriting guidelines are benchmarked to the market standards and adequate internal controls are put in place to maintain the quality of loans being approved. The board of directors of ABHFL have an oversight over the risk management framework applicable to ABHFL assisted by various committees of the board and senior management. The risk management committee of the board ("**RMC**") is headed by an independent director and reviews compliance with the risk policies, monitors risk tolerance limits, reviews and analyses risk exposure and provides oversight of risk across the organization. The RMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in ABHFL. ABHFL is exposed to three key risks: credit risk, market risk (which includes liquidity risk and price risk) and operational risk.

- Credit risk is managed and controlled through a credit risk management framework comprising detailed risk evaluation of borrower and security. In relation to the credit risk management, distinct policies and processes are in place and qualified chartered accountants and MBAs occupy key positions in the credit risk management function of ABHFL. For each product, programs defining customer segments, underwriting standards, security structures, etc. are specified to ensure consistency of credit patterns and all such cases are approved by credit committees formulated at different levels with various approval limits.

- Liquidity risks and interest rate risks, arising out of maturity mismatch of assets and liabilities, are managed by monitoring the maturity profiles with a periodical review of ABHFL's position. ABHFL's loans are on a variable rate of interest basis and any movement in rate of borrowings is normally hedged by the loans advanced at variable rates to a certain extent.

- Operational risks are minimized by strengthening the internal control procedures and addressing the deficiencies reported by ABHFL's auditors.

ABHFL's risk management function provides ABHFL stability along with balance to ensure that its growth is backed by a robust portfolio.

Key Strategies of ABHFL

1. Grow our affordable and profitable housing finance business

ABHFL believes that the Government of India's implementation of various policies and initiatives, in order to encourage availability of credit to the affordable housing industry, has provided significant growth opportunities in the housing finance industry. ABHFL aims to continue to provide financing for such housing projects and further expand its housing finance business by increasing the geographic reach of its operations, by way of establishing additional branches in areas / states that have favourable business potential for affordable housing loans. Further, ABHFL aims to actively tap into the growing housing loan segment, especially in the housing sector which is poised for growth due to Government focus on "Housing for All" by 2022.

ABHFL believes that a significant portion of its geographic expansion will include tier II and tier III cities in India as the tier II and tier III cities in India have experienced an increased rate of urbanization and increased demand for housing from the lower income segments, which has resulted in growth in disbursements of housing loans with lower average loan sizes in these cities. As a result of the increased access to housing finance opportunities, ABHFL expects its expansion in such areas to cater to the significant demand for affordable housing in these cities. The demand for housing in these cities is being driven in part by the implementation of the Government's initiatives, such as "*Smart Cities*" and the "*Pradhan Mantri Awas Yojana*" or the "Housing for All" by 2022 scheme to promote the provision of housing and housing finance.

With the loan portfolio of ABHFL growing from ₹ 1,419 million as of fiscal year 2015 to ₹ 48,162 million as of June 2017, ABHFL plans to grow the size of its loan portfolio and market share further through its business and expansion strategies.

2. Leverage our existing network and customer base to develop our housing finance business

With the growth of the housing finance sector in India, ABHFL's services of providing housing loans through a registered housing finance entity has provided it a competitive advantage, including greater leverage resulting from lower capital adequacy norms applicable to a HFC, as well as lower risk-weightage applicable to housing finance loan. With strong operational support from our Company, ABHFL seeks to leverage our expansive operational network and large customer base across India to cross sell its housing finance business to the existing customers of other business segments. As of June 30, 2017, ABHFL has active strategic arrangements with over 1,900 sourcing intermediaries in the housing loan segment, who are typically direct sales agents, referral partners and property agents. ABHFL also intends to establish more local sourcing arrangements in regions identified through market potential studies undertaken by it in the near future.

3. Continue to enhance customer delivery by leveraging digital media and continue to develop and strengthen our technology platforms

We believe that ABHFL's target customer base is increasingly relying on online platforms to manage their finances and many of its existing customers prefer to engage with the company directly through an online interface. In order to meet the needs of new customers, ABHFL reaches out to them through social media campaigns and search optimization. ABHFL also intends to further develop and strengthen its technology platform to support the growth and improve the quality of its services including by developing its e-home loan portal to provide instant loan sanctioning to new age customers and undertaking various checks through digital means. ABHFL believes that additional improvements in technology could further reduce its operational and processing time, thereby improving its efficiency and allowing ABHFL to provide better service to its customers.

Financial Information

For the summary of audited financial statements of ABHFL for the last three fiscal years, see “Summary of Financial Information” on page 28.

The complete audited financial statements of ABHFL for the last three fiscal years are available at http://adityabirlacapital.com/Pages/Investors/FinReports.aspx.

C. Aditya Birla ARC Limited

Recently, we have incorporated Aditya Birla ARC Limited (“**ABARC**”) to venture into the asset reconstruction business. ABARC, upon commencement of business, will focus primarily on acquiring the idle non-performing assets (“**NPA**”) lying in the financial sector (including banks and financial institutions) with a sector agnostic focus on the NPAs in the Micro, Small and Medium Enterprises sector (“**SME/MSME**”) and the mid-corporate sector.

II. Investing

A. Aditya Birla Sun Life AMC Limited

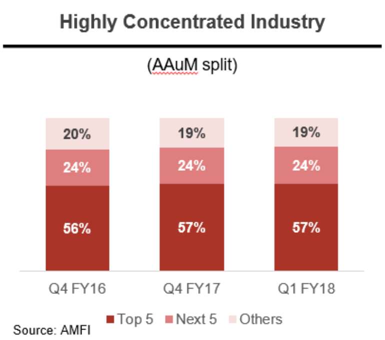
Overview

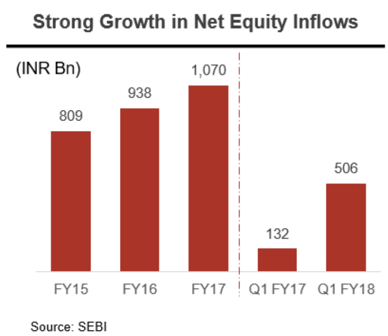
Aditya Birla Sun Life AMC Limited (“A**BSLAMC**”) (formerly known as Birla Sun Life Asset Management Company Limited) is the 4th largest asset management company in India by domestic average assets under management (“**AAUM**”) as published by AMFI for the quarter ended June 2017. ABSLAMC is one of the leading providers of asset management services in India and manages the investment portfolios of Aditya Birla Sun Life Mutual Fund.

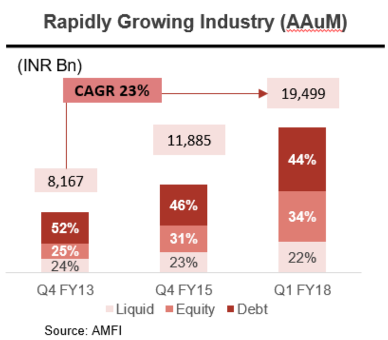
With a far reaching network of 150 branches and other distribution channels, a wide range of product offerings across equity, debt, balanced as well as structured asset classes and consistent investment performance, ABSLAMC has around 4.3 million investor folios as of June 30, 2017. ABSLAMC had a total AAUM of ₹ 2,252 billion for the quarter ended June 2017, growing at a CAGR of 26% since the quarter ended March 2013 to the quarter ended June 2017. ABSLAMC’s domestic AAUM amounted to ₹ 2,057 billion and equity assets under management amounted to ₹ 599 billion for the quarter ended June 2017, with ABSLAMC being ranked fourth in overall and equity market share.

Industry overview

Set up in 1963, the mutual fund industry in India completed 54 years in 2017, reached close to the mark of ₹ 19,000 billion assets under management (“**AUM**”) as at June 30, 2017 and evolving into a multi-product, inclusive and retail-focused business. In 1993, first mutual fund regulations came into being, which were later replaced by Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. By end of January 2003, there were 33 fund houses in India. The mutual fund industry is currently in a phase of consolidation and growth.







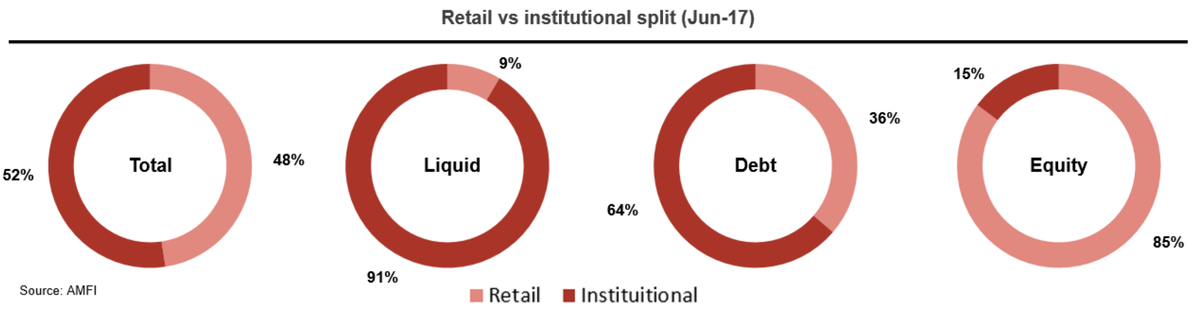
Industry AAUM has grown with a CAGR of around 23% from the quarter ended March 2013 to the quarter ended June 2017. The growth in the mutual fund industry is being fueled by:

- Higher Penetration: Focus towards improving sales in B-15 cities augurs well towards increasing customer base and higher AUM growth.

- Higher Investor Awareness: Programs undertaken by AMCs will lead to increased investor participation in mutual funds.

- Digitalization**:** Simpler e-KYC processes which may be further facilitated through opening up of E-commerce platform.

The split between retail and institutional AUM has remained constant over the last three years. However the industry is seeing continuous growth in the retail participation thus changing the mix towards retail assets. Further, the retail investors dominate the equity space while institutions have preferred liquid and debt funds, as seen in the chart below:



AMFI analyses inflows of fund houses geography-wise, and classifies cities as T15 and B15 on the basis of inflows from these locations. We believe that B15 cities have high potential due to growing income and savings. In order to encourage penetration into such second tier cities, SEBI has allowed fund houses to charge an additional expense ratio for funds raised through B15 cities, on certain conditions. As fund houses target the B15 market, there have been encouraging results with the B15 cities contributing around 18% of the total industry AAUM for the month of June 2017.

Banks, national distributors ("**ND**") and independent financial advisors ("**IFA**") channels are directed towards HNIs while corporates are serviced through direct sales.

ABSLAMC's business

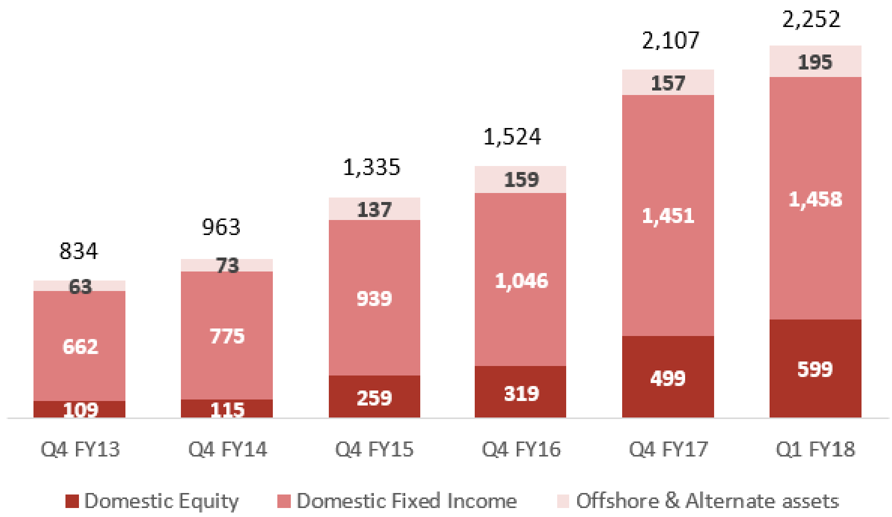
ABSLAMC caters to a diverse group of customers through a wide variety of investment solutions focused on regular income, wealth creation, tax saving, etc. ABSLAMC provide sector specific equity schemes, fund of fund schemes, hybrid and monthly income funds, debt and treasury products. It also provides portfolio management services and investment advisory services to offshore funds and Aditya Birla Real Estate Fund. ABSLAMC also manages funds of certain financial institutions and sovereign funds. ABSLAMC has the following overseas subsidiaries/funds:

1. Aditya Birla Sun Life Asset Management Company (Mauritius) Limited
2. Aditya Birla Sun Life AMC Limited, Dubai
3. Aditya Birla Sun Life AMC Pte Limited, Singapore
4. India Advantage Fund Limited, Mauritius
5. International Opportunities Fund SPC, Cayman Islands
6. Global Clean Energy Fund SPC, Cayman Islands
7. New Horizon Fund SPC, Cayman Islands

ABSLAMC has one of India's leading Large Cap Equity Fund, i.e. Birla Sun Life Frontline Equity Fund with a fund size of over ₹ 177,500 million. 11 Funds of ABSLAMC are now over a billion dollar each, as on June 30, 2017. Further, BSL Dynamic Bond Fund is among the leading bond funds in the domestic fixed income mutual fund space with a fund size of over ₹ 130,000 million.

Set forth below is the breakdown of ABSLAMC's total AAUM by category of mutual funds:

AAUM Growth (INR in billion)



ABSLAMC's portfolio management service is a highly customised service that helps HNIs fulfil their financial goals. ABSLAMC aims to seek consistent, long term results by adopting a research based, methodical approach to investing.

Over the years ABSLAMC has been recognised for its qualitative performance in various functions. Set forth below are the awards and laurels that ABSLAMC has received recently:

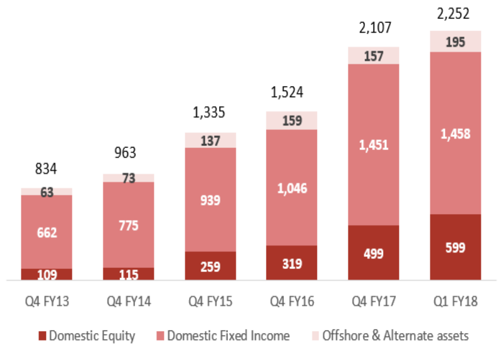
- Overall Fund House of the Year at Thomson Reuter Lipper Award 2017
- Runner Up – Equity AMC of the Year, at the Outlook Money Awards 2016
- Best Innovative Approach to Investor Awareness, at the Outlook Money Awards 2016
- Best CIO Award to Co-CIO - Maneesh Dangi, for Debt at the Asia Asset Management Awards 2016
- Best CIO Award to Co-CIO - Mahesh Patil for Equity at the Asia Asset Management Awards 2016
- Best Fund House - Investor Education, at the Asia Asset Management Awards 2016
- Recognition among "India's Top 10 Fund Managers" for Satyabrata Mohanty and Ajay Garg, by Outlook Business magazine.

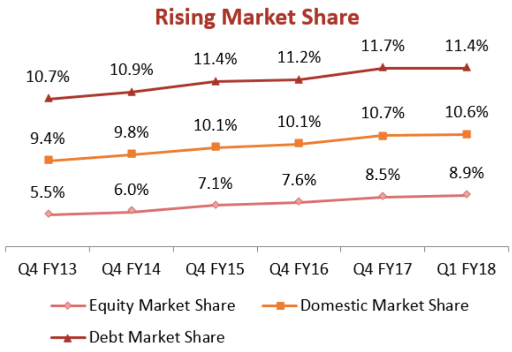
ABSLAMC's total income for the fiscal years 2017, 2016 and 2015 was ₹ 10,145 million, ₹ 7,758 million and ₹ 6,302 million, respectively, while its profit after tax for the same periods was ₹ 2,232 million, ₹ 2,027 million and ₹ 1,233 million, respectively.

Key Competitive Strengths of ABSLAMC

1. Leading asset manager with a strong track record of growth in AAUM and market share

With a track record spanning 23 years, ABSLAMC has grown to be among the leading domestic mutual funds with a total AAUM of ₹ 2,252 billion for the quarter ended June 2017 (including domestic equity, domestic fixed income and offshore and alternate assets). There has been a significant rise in ABSLAMC's market share in equity market from 5.5% to 8.9% and debt market from 10.7% to 11.4%, from the quarter ended March 2013 to the quarter ended June 2017. The SIP book size has also grown from ₹ 869 million in March 2013 to ₹ 6,170 million in June 2017.





Along with strong organic growth, ABSLAMC also grew inorganically by making acquisitions to build scale, which includes acquisition of certain mutual fund schemes managed by Apple AMC in 1999, Alliance AMC in 2005 and ING AMC in 2014.

ABSLAMC believes that its strong market presence and historic performance place it well to continue its growth path.

2. ***Complete suite of product portfolio with focus on technology and customer centric innovation***

ABSLAMC offers a variety of funds, including domestic equity, domestic fixed income, offshore and liquid funds. ABSLAMC's offering also includes focus funds like BSL Balanced '95 Fund, BSL Advantage Fund, BSL Equity, BSL Banking and Financial Services Fund, BSL Pure Value Fund and BSL Midcap. ABSLAMC, under its offering for SIP investor, i.e. Century SIP, provides insurance covers to more than 2 lac lives. Additionally, ABSLAMC provides portfolio management services and real estate investment advisory services to its clients. ABSLAMC believes that its large size enables it to benefit from economies of scale, especially in the areas of fund management, marketing and distribution.

ABSLAMC believes that in a highly dynamic and competitive marketplace like India, success is dependent on constantly identifying pockets of differentiation and by constant innovation in product development. ABSLAMC adopts a disciplined approach to product development and the product team works closely with the investments team as well as other key functions to ensure market relevance, profitability for investors and compliance with relevant laws. Further, ABSLAMC actively encourages its employees to bring in fresh ideas and new initiatives are executed with support of senior leadership. This approach helps ABSLAMC to attract and retain professionals dedicated towards asset management. ABSLAMC believes that this focus has contributed to its record of steady AUM growth over the years.

ABSLAMC also has a dedicated team for "Investor Education" to manage all initiatives and increase awareness about mutual fund among investors and potential investors. This team helps in engaging with investors on a transformational level and not at a transactional level.

ABSLAMC has invested in digital technology and launched various applications aimed at new age investors, such as 'FinGo' and 'Active Account' which provides a host of services to customers anytime and anywhere and also developed 'Fingo Partner', which is a digital application for distributors. ABSLAMC has been among the pioneers in the Indian AMC industry by launching a robo-advisory equivalent website in 2016.

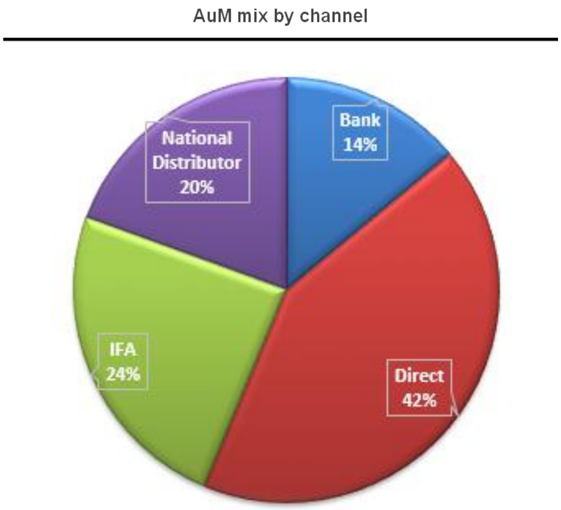
3. ***Sustainable business model with a robust risk management process***

ABSLAMC has united the functional responsibilities of governance, risk and compliance under one roof. The risk management process follows a three-line system classified into: risk management, risk oversight and internal audit.

The governance mechanism is based on the philosophy of working ethically and finding a balance between economic and social goals including the ability to function profitably while complying with the applicable laws, rules and regulations orchestrated by the Risk Management Committee, Investment Committee and Audit Committee. Risk management has created a well-defined policy framework, and uses a set of flexible, best-practice tools and models to monitor portfolios and risks involved which are tracked over time with interactive reporting and dashboards. ABSLAMC has employed MSCI Barra for portfolio and risk analysis and benchmarks its funds with peer indices. The process of managing risk is achieved through the systematic application and updating of policies and procedures, applying best industry practices to effectively identify, analyse, evaluate, treat, monitor and communicate risks.

4. Wide distribution outreach led by 4-pronged approach

ABSLAMC has a 4-pronged sales and distribution mechanism that includes IFAs, NDs, banks and direct channel (branches/online). ABSLAMC has a strong distribution network spread across the nation with 150 branches, 230 Investor Service Centres and 78 Market Representative ("**MR**") centers. MR is a part of new low cost expansion model to ensure presence in areas without the need to create a branch structure. They cover all the major centers of distribution as well as investor presence to attract most sticky and profitable customers. ABSLAMC currently have 57,054 empanelled IFAs spread across geographies. It launched an online mode to empanel IFAs in 2015.The number of branches have steadily grown from 82 in March 2013 to 150 as at June 2017. Further, the Direct Channel contributes 42% of the distribution network which helps in better customer control.



Key Strategies of ABSLAMC

The key elements of ABSLAMC's strategy include:

1. Focus on growing market share through scale

ABSLAMC strengthened its position in the industry by increasing its market share from 9.4% in the quarter ended March 2013 to 10.55% in the quarter ended June 2017. The new customer acquisition number (customers having unique PAN) for the quarter ended June 2017 stood at over 230,000 customers.

To increase penetration across geographies, ABSLAMC is focused on effective outreach by various channels as well as customer centricity in all its activities. ABSLAMC has used social media effectively for building its brand and scale. The brand 'Aditya Birla Sun Life Mutual Fund' has a significant presence on social media with over 66,000 followers on twitter. There are a number of other initiatives that have been envisaged to increase visibility in B15 and emerging markets locations. These include *Samagam* (IFA conferences), *Unnati* (Sales intervention Program) and *Van Activation Programs.*

2. Further expansion of market offerings through digital media and global outreach

ABSLAMC has endeavored to increase its geographical footprint with low cost structure in the untapped potential markets through its emerging markets initiatives. A key focus has been to concentrate on expansion through digital medium. As a part of the plan of action, 3 mobile applications have been launched, namely, 'Fingo', 'Fingo Partner' and 'Active Account'. With the recent update of instant redemption facility on the 'Active Account' application, ABSLAMC believes that it will be able to get more customers onboard.

Additionally, there is also a robo-advisory equivalent website which is named '*Sabse Important Plan -* SIPNOW' a goal-based website. Further, e-Banking facility that helps users to use multiple bank account to access investors and e-KYC Aditya Birla Sun Life Mutual Fund system which provides 100% paperless

Aadhaar based eKYC have also been launched. Our Investor Education team has been awarded and we believe that it has set a benchmark across the industry by undertaking several initiatives and creative campaigns such as *Samriddhi*, *My First Pay Cheque*, *DAP* (*District Adoption Program*) and *e-Nipun*.

ABSLAMC's offshore initiatives are supported by Sun Life Global Asset Management Company. Synergy for the offshore business is built through alliances arising from ABSLAMC's relationships with the MNC banks having presence in India. ABSLAMC plans to grow its presence in off-shore market through New Fund Offerings such as INR funds and global pension fund.

ABSLAMC's PMS vertical has increased its customer base considerably and AUM for this business has reached ₹ 38,100 million as of June 30, 2017. ABSLAMC also plan to launch various products under AIF (Alternate Investment Funds) in the coming financial year. In ABSLAMC's real estate business, distribution of over 41% of the AUM in ABREF-1 has been made to investors. ABSLAMC aims to expand its geographical presence and penetration in all the spheres of its business.

3. Increase efficiency through customer-centric approach

ABSLAMC's focus has been to increase profitability by increasing efficiency in all its processes and functions. ABSLAMC's sales team and RM's undergo significant training to be extremely powerful and confident. *Sampark*, ABSLAMC's outbound call centre for empanelment, was a powerful initiative from the business development team, accelerating the activation and reactivation of large pool of IFA's. ABSLAMC plans to continue to focus on efficiency of all of its distributions channels.

Further, in the era of digital economy supplemented by the greater momentum caused by policy initiatives such as demonetization, mobile wallets and digital payments have become popular. Accordingly, to capitalize on this digital disruption, to be agile and as resilient as the economy. ABSLAMC is setting up a vertical to focus on 'Digital Sales'. ABSLAMC's digital assets, including 'Fingo', 'Fingo Partner', 'Active Account' application and the 'SIPNOW' website will seek to integrate ABSLAMC's existing sales and marketing functions including through campaigns to drive solutions-based selling of wealth, tax and child plans. The marketing team has also initiated life-stage models to increase equity penetration and solutions-based communication through analytical models to increase customer value and deepen customer relationships. ABSLAMC believes that its customer centric approach will enable it to grow its net promoter score ("**NPS**") further in the future.

Financial Information

For the summary of audited financial statements of ABSLAMC for the last five fiscal years, see "Summary of Financial Information" on page 28.

The complete audited financial statements of ABSLAMC for the last five fiscal years are available at http://adityabirlacapital.com/Pages/Investors/FinReports.aspx.

Key Performance Indicators of ABSLAMC

Particulars* (in ₹ million)	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Qtr Ended June 2017
Revenue from operations	4,052	5,018	5,960	7,652	9,685	2,706
Other income	355	217	342	106	460	87
Total revenue	**4,407**	**5,235**	**6,302**	**7,758**	**10,145**	**2,793**
Expenses	3,333	3,832	4,486	4,622	6,774	1,754
Profit before tax	1,074	1,403	1,816	3,136	3,371	1,039
Profit after tax	**732**	**946**	**1,233**	**2,027**	**2,232**	685

Particulars* (in ₹ million)	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Qtr Ended June 2017
AUM (Q4)	**8,33,540**	**9,63,419**	**13,34,700**	**15,24,270**	**21,07,422**	**22,51,761**
AUM Mix						
Domestic Equity	1,08,590	1,15,480	2,58,810	3,18,910	4,99,138	5,98,912
Domestic Fixed Income	6,61,880	7,75,030	9,38,710	10,46,120	14,51,352	14,58,241
Offshore & Alternate assets	63,070	72,909	1,37,180	1,59,240	1,56,932	1,94,607
No. of Live SIP (In '000)	388	399	621	894	1378	1,608
Amount of SIP (₹ In Million)	869	997	1,769	2,818	5,035	6,170
Shareholders' Equity	3,568	4,525	5,759	7,794	9,416	10,102
Profitability						
RoE	21%	21%	21%	26%	24%	27%
Operational metrics						
No. of IFAs (Empanelled)	35,686	37,518	41,272	47,309	54,306	57,054
Branches	82	82	103	109	145	150
No. of folios (In Million)	2.16	2.02	2.43	2.93	3.96	4.32

**Financial information is derived from the audited financial statements for the relevant period.*

B. Aditya Birla PE Advisors Private Limited

ABPE is a wholly owned subsidiary of ABCL. It provides financial advisory and management services with focus on managing venture capital funds and alternate investment funds. ABPE is presently appointed as an investment manager to two SEBI registered domestic venture capital funds, namely, Aditya Birla Private Equity - Fund I and Aditya Birla Private Equity – Sunrise Fund, where it currently manages a gross AUM of ₹ 11.79 billion under these two funds.

In addition, ABPE offers investment management and advisory services to domestic and global investors and partners with its portfolio companies to provide them strategic direction for their operations and growth. ABPE focuses on growth investments in mid-market companies, with India as the investment destination. ABPE seeks to tap the broader alternative funds market through a variety of products such as buyout funds and mezzanine funds in the future.

C. Aditya Birla Money Limited

Aditya Birla Money Limited ("**ABML**"), incorporated in 1995, is a listed company. Its shares are listed on the BSE and NSE since 2008. ABML is currently engaged in the business of securities broking and is registered as a stock broker with SEBI. It is a member of the BSE and NSE and offers equity and derivatives trading through NSE and BSE. It holds license from SEBI and offers portfolio management services. ABML is also registered as a depository participant with National Securities Depository Limited ("**NSDL**") and the Central Depository Services Limited ("**CDSL**"). It also holds SEBI license as a research analyst and ARN code issued by AMFI.

It offers a wide range of solutions including broking, portfolio management services, depository and e-insurance repository solutions and distribution of other financial products. It has a combined pan India distribution network with 40 plus branch offices (spread across Andhra Pradesh, Chandigarh, Rajasthan, Chhattisgarh, Madhya Pradesh, UP, West Bengal, Punjab, Maharashtra, Kerala, Karnataka, Delhi, Gujarat and Tamil Nadu) and 700 plus franchisee offices. It also has a robust online and offline model with a strong technological backbone to support a large registered customer base of over 300,000 customers.

III. Protection

A. Aditya Birla Sun Life Insurance Company Limited

Overview

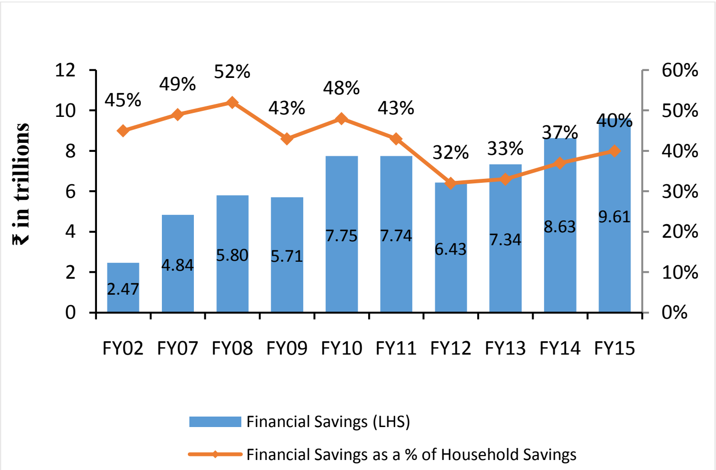
Our subsidiary, Aditya Birla Sun Life Insurance Company Limited ("A**BSLI**"), is one of the leading private sector life insurance companies in India. The total assets under management ("**AUM**") of ABSLI amounting to ₹ 351,804 million as on June 30, 2017 with a robust capital base of over ₹ 19,000 million. (Source: Life Insurance Council)

ABSLI was incorporated on August 4, 2000, and commenced operations on January 17, 2001. ABSLI is a joint venture between the Aditya Birla Group and Sun Life Financial Inc., a leading international financial services organization in Canada. Registered with Insurance Regulatory & Development Authority of India ("**IRDA**") for solicitation of life insurance business in India, ABSLI was among the first few private insurers to start operations and currently has an active customer base of 1.61 million and 8,000 employees. ABSLI provides its customers a range of products across the customer's life cycle, including children future plans, wealth protection plans, retirement and pension solutions, health plans, traditional term plans and Unit Linked Insurance Plans ("**ULIPs**").

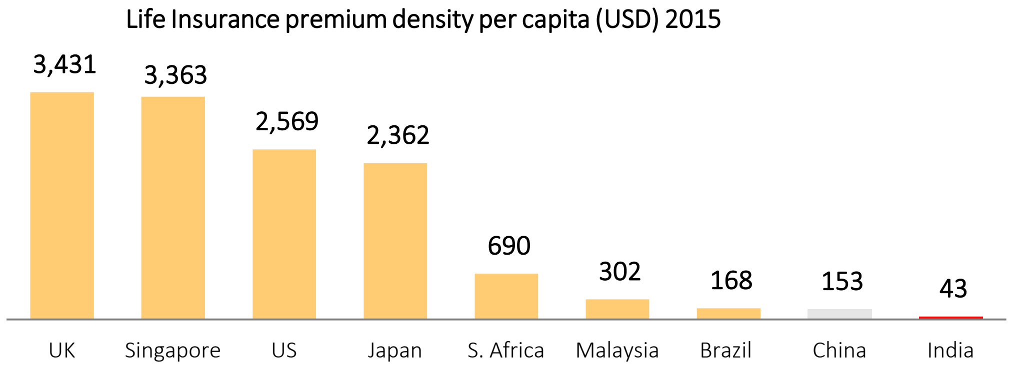
At the time of commencement of operations of ABSLI, Aditya Birla Nuvo Limited ("**ABNL**"), part of Aditya Birla Group, and Sun Life Financial (India) Investment Inc. held 74% and 26% stake respectively in ABSLI. In April 2016, Sun Life Financial (India) Investment Inc. increased its stake in the joint venture to 49% and in March 2017, ABNL's remaining 51% shareholding in ABSLI was transferred to ABCL, making ABCL the holding company of ABSLI.

Brief Overview of the Life Insurance Sector

India's economy has remained resilient even amidst sluggish global growth driven by the strong fundamentals and prudent economic, fiscal and social policies. The Indian insurance market is underpenetrated and provides a huge growth opportunity. In addition, India provides significant demographic opportunity given a large population base in the young to middle age bracket, which ABSLI believes will result in a higher share of working population. Further, financial savings have seen a growth in the past decade, as seen in the chart below:



Source: RBI



Source: IRDA Annual Report

With the opening of insurance sector for private players since the year 2000, it has seen significant growth. Initially, in early 2000s, the focus was on ULIPs. However, with the introduction of regulations relating to ULIPs in 2010, the industry has seen a steady shift to traditional products resulting in a more balanced mix between ULIPs and traditional products such as term, assured income, endowments and savings plans.

Historically, life insurance products were largely savings oriented. However, with the infusion of private sector players in the year 2000, the market has shifted from largely tax-saving based products to multiple products broadly divided into unit linked and non-linked products. The non-linked products can be further categorized into participating ("**PAR**") and non-participating ("**non-PAR**") based on whether or not the policyholder is entitled to a share of the surplus from the invested funds.

The term and health products have been continuously gaining traction for the industry on account of existing high protection gap and relatively higher margins than other saving and endowment products. Consequently, ABSLI believes that the life insurance sector as a whole is increasing its focus on term protection products.

Further, the traditional PAR and non-PAR products target the mass retail and the affluent sector and is seen to compete with the bank fixed deposits, post office deposits and bank deposits in the saving accounts. The surplus from PAR products is distributed in the ratio of 90:10 to policyholders and shareholders, respectively.

ULIP's occupy around 50% share of the portfolio for the private players in the sector. ULIP's offer long term growth along with significant protection. In addition, structured factors such as low equity penetration and ease of sale are expected to maintain ULIP flow in the medium term. This product majorly targets the HNI and ultra HNI.

ABSLI's Business

ABSLI has contributed to the growth and development of the Indian life insurance industry and is currently one of the leading private life insurance companies in the country. With customers being the core of its strategy, ABSLI offers balanced solutions across guaranteed, market-linked and protection platforms while constantly investing in digital initiatives and innovation. ABSLI offers a complete range of offerings comprising protection solutions, children's future solutions, wealth with protection solutions, health and wellness solutions, retirement solutions and savings with protection solutions. ABSLI offers a balanced product mix with traditional products contributing to 70% of individual new business in terms of FYP (with single premium considered at 10%) for fiscal year 2017 with the traditional products contribution being 65% for the first quarter of fiscal year 2018.

In the individual business segment, ABSLI has grown year-on-year ("**YoY**") at the rate of 35% in terms of FYP (with single premium considered at 10%) in fiscal year 2017 with the growth rate being 28% for the first quarter of fiscal year 2018.

The group business at ABSLI has grown at a CAGR of 19% from fiscal year 2013 to fiscal year 2017 and ABSLI has remained among the top players in this sector with a market share of 25% in fiscal year 2017 in terms of FYP (with single premium considered at 10%). The institutional business has grown to become a large business contributing to approximately ₹ 15,740 million in fiscal year 2017 with an AUM of more than ₹ 75,000 million. Within this segment, ABSLI has diversified the product mix to cater to all segments and focused more on the higher margin ULIP business to increase profitability.

ABSLI's Customer Focused Approach

ABSLI's customer engagement mode has shifted from pure selling to counselling of customers through multiple ways including digital protection counselling tools. ABSLI offers need based solutions to customers and such solutions are developed by taking inputs from the customers. Consequently, this model has increased ABSLI's relationship quotient with the customer and ensured sustainable relationships.

Post several regulatory changes which happened between 2009 and 2012, the private sector life insurance industry was facing the major challenges such as customer trust deficit, high operating costs with low margins and the focus was on quantity and product centric sales. ABSLI has focussed on an end-to-end customer engagement and counselling model where the aim is to understand the requirement and aspirations of the potential customers and assist them appropriately.

ABSLI transformed its customer engagement model by developing several digital and physical tools, cognitive techniques and practices through its in-house innovation and design lab. This model includes five key stages, i.e. market discovery, market engagement and customer engagement, need based solutions and life-long sustainable relationships. The tools include a cluster mapping tool to identify market, protection counselling tool (which is a cognitive tool used for customer need assessment) and a precision selling tool that caters to specific customer sets like doctors, NRIs and SMEs.

Further, ABSLI has relooked and redefined roles by adopting new measurement metrics to align the entire organization through a 'Capacity-Productivity-Sustainability' framework for customer centric acquisition and retention. This has helped to improve the productivity of sales force, which is measured not only by the new business opportunities created but also on the basis of sustainable customer relationships.

During fiscal year 2015, ABSLI launched its new brand positioning of "Khud Ko Kar Buland" which has received an encouraging response from both customers and business partners. The new brand was arrived at on the basis of a core category need which was based on fundamental questions "What role do we play in the consumer's life? Is Life Insurance a mode of saving, an avenue of investment, a protection solution or just a tax saving instrument?"

In a study conducted by Kantar IMRB in 2017, ABSLI was ranked 4th in customer loyalty.

Distribution Channels

ABSLI follows a successful multi-channel distribution strategy with 433 branches, around 82,000 Agents, six key bank partners and more than 100 third-party distributors. With a cluster-based market discovery model, ABSLI has been successful in penetrating 1,100 clusters out of the 1,800 identified by it, across its 433 branches in India. In addition to this, a total of 2,500 contribution events were held to improve the quality market engagement through fiscal year 2014 to fiscal year 2017. Through such events and channels, ABSLI targets to build relationships and recognition in communities providing it with knowledge and understanding of potential customers.

Agency: Agency channel has been ABSLI's major contributor with a CAGR of 17% in first year premium from fiscal year 2015 to fiscal year 2017 on the back of high growth in productivity. This channel grew at 25% YoY in fiscal year 2017 and at 20% for the first quarter of fiscal year 2018 and contributes close to 71% of individual business for ABSLI. ABSLI's FLS premium productivity measured in terms of FYP (with single premium considered at 10%) per FLS grew at a CAGR of 30% from fiscal year 2015 to fiscal year 2017. This period has also shown increase in persistency along with reduced mis-selling and agent attrition.

Direct Business: ABSLI incubated its direct sales business in fiscal year 2013 where it offered its products to existing 'No Advisor' customers through employees and saw tremendous success. During fiscal year 2015, ABSLI invested more in this channel in the form of capacities realizing its potential and as a result, saw huge growth both due to higher capacity and productivity. This channel has been growing at more than 100% for the last two years in terms of individual new business premium while the growth remained stable at 27% during the first quarter of fiscal year 2018.

Bancassurance: Bancassurance model is attractive on account of access to bank's customers and low cost of distribution. ABSLI has tie-ups with multiple banks including Deutsche Bank, Development Credit Bank and Karur Vysya Bank. Long term relationship with such Bancassurance partners is a testimony of the mutually beneficial and successful partnership. ABSLI is also well placed to expand tie-ups with banks to capitalize the

‘Open Architecture Opportunity’. This channel will further boost ABSLI’s performance and reduce dependence on any one channel.

ABSLI has consistently delivered profits to its shareholders since fiscal year 2011. Its profit after tax for fiscal year 2017 was ₹ 1.2 billion and for the first quarter of fiscal year 2018, it was ₹ 284 million with a growth of 117%. ABSLI premium schedule is shown below:

Particulars	Q1 Fiscal Year 2018	Fiscal Year 2017
First Year Premium		
i) Individual Life	1,623	9,172
ii) Group Life	261	15,476
Renewal Premium		
i) Individual Life	5,687	30,113
ii) Group Life	333	1,784
Single Premium		
i) Individual Life	76	432
ii) Group Life	2,247	262
Total	10,228	57,240

ABSLI’s value of new business grew from ₹ 1.1 billion in fiscal year 2016 to ₹ 1.6 billion in fiscal year 2017 and for the first quarter of fiscal year 2018 the same is at ₹ 274 million. ABSLI’s new business margins improved further from 15.2% in fiscal year 2016 to 17.0% in fiscal year 2017 and currently at 15.7%. ABSLI’s financials display a strong capital position with a solvency ratio of 200%, as against IRDA prescribed ratio of 150%. In addition, ABSLI’s Embedded Value (as per Traditional Embedded Value methodology “TEV” as determined by ABSLI’s internal estimates) as on March 31, 2017 was ₹ 34.3 billion.

Key Competitive Strengths of ABSLI

1. Strong platform that has delivered growth as well as improved business mix

ABSLI has witnessed a strong growth in its total premium which has grown from ₹ 52 billion in fiscal year 2013 to ₹ 57 billion in fiscal year 2017, with a CAGR of 6% over such period. The total AUM has also significantly risen to ₹ 345 billion in fiscal year 2017, growing at a CAGR of 11% from fiscal year 2013. ABSLI has also improved its value of new business (“**VNB**”) margin from 16.6% at the end of fiscal year 2013 to 17% by the end of fiscal year 2017. Further, the 13-months persistency grew from 64.7% in fiscal year 2016 to 71.5% in fiscal year 2017 and currently at 70.08%.

The financial numbers for the first quarter of fiscal year 2018 are as follows.

- Total Premium at ₹ 10, 227 million
- AUM stood at ₹ 351, 804 million
- 13th Month Persistency at 70.08%

ABSLI also has a growing multi-channel distribution footprint with strong proprietary channel and is well placed to take advantage of open architecture Bancassurance channel. ABSLI believes that agency remains one of the strongholds for distribution of insurance products and is a major contributor in terms of distribution for insurance industry. ABSLI follows a balanced channel strategy with a split in terms of agency and other fronts. ABSLI believes that its agency channel has laid the foundation for the future in the form of high performing advisors and higher retention of quality sales force. ABSLI’s individual retail sales have shown consistent growth in each quarter of fiscal year 2017 dominated by its proprietary channels with the total individual new business growth of 35% for fiscal year 2017 and 32% for the first quarter of fiscal year 2018.

In addition to these, ABSLI believes that its direct business channel has huge scope for growth with increase of over 100% in terms of individual new business premium in the last two years. ABSLI also has a unique opportunity to leverage the open-architecture Bancassurance channel as it is not a subsidiary of a bank, unlike some of its competitors, and can therefore forge relations with multiple banks with greater ease, as evidenced by its recent tie-ups with multiple banks. These factors have placed ABSLI in a position to benefit from the growing life insurance market in India.

2. Differentiated customer-centric engagement model focused on channel capacity and productivity to ensure sustainability of customer relationships

ABSLI believes that its customer engagement model allows it to build strong and long lasting relationships with potential customers resulting in greater customer acquisition and improved customer loyalty translating into 'Customer Trust Surplus'.

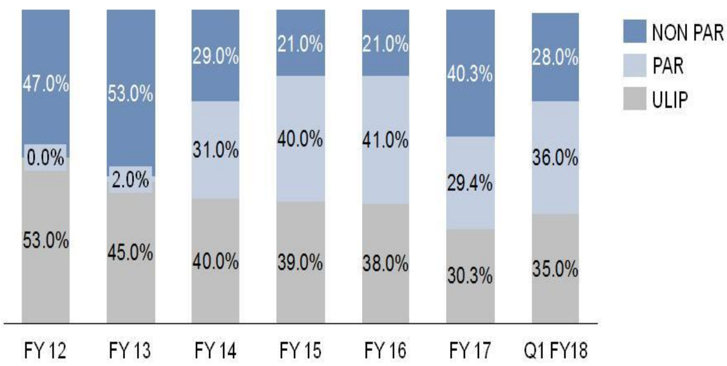
ABSLI believes that its 'Customer Trust Surplus' is reflected in the improvement of several key metrics in the business, such as increase in 13-months persistency which grew from 64.7% in fiscal year 2016 to 71.5% in fiscal year 2017 and currently at 70.08%. Further, the claim settlement service improved as indicated by the claim settlement ratio of 94.7% in fiscal year 2017 as against 88.4% in fiscal year 2016. ABSLI's primary focus on value creation and quality of business along with right sales and post sales practices have helped reduced customer complaints significantly, with complaints as of inforce policy reducing from 0.57% in fiscal year 2016 to 0.35% in fiscal year 2017.

ABSLI believes that its differentiated customer engagement model has resulted in significant customer orientation and increased customer trust surplus, greater customer loyalty and sustainability which have resulted in lower surrenders.

3. Segmented and balanced product portfolio

ABSLI seeks to deliver superior value to its customers and distributors by offering a range of products catering to their specific needs. Its product basket covers solutions across all needs viz. protection, health and wellness, retirement, children's future, wealth protection and savings. ABSLI's products are designed taking into consideration customer demographics like age, affluence, financial aptitude, investment portfolio, risk taking ability, life stage and family status.

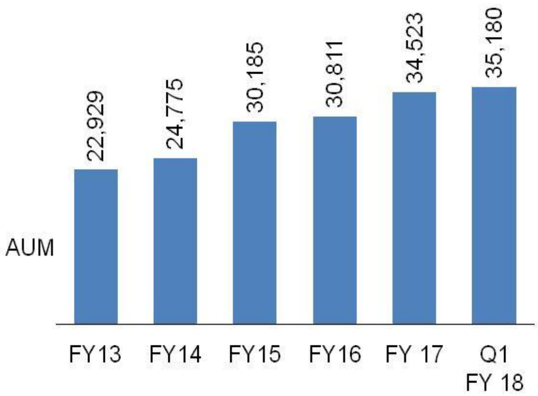
ABSLI has a balanced portfolio of market linked (ULIP), fully guaranteed (non PAR) and participating (PAR) portfolio. The portfolio mix of ABSLI's product is shown in the chart below:

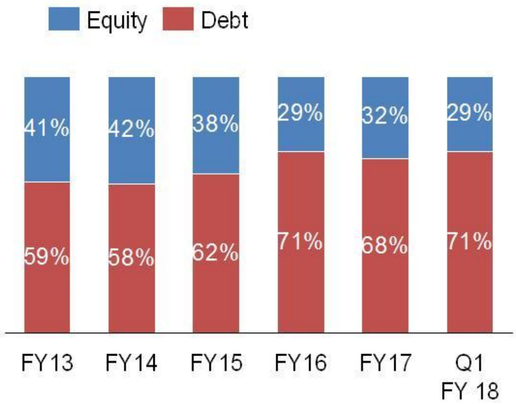


The product mix provides ABSLI the opportunity to cater to the needs of various customer segments around investment, long term savings and protection. Apart from this, balance portfolio mix protects ABSLI from any adverse volatility in equity and debt markets.

4. Superior Fund Performance

As on March 2017, ABSLI was among the leading private life insurers in terms of AUM with its total AUM amounting to ₹ 345,230 million and with a robust capital base of over ₹ 19,000 million. ABSLI continued its superior investment performance for its policyholders and for its ULIPs, delivering strong fund performance across the board and consistently beating its internal benchmarks. Set forth below is the growth of ABSLI's AUM and the changes in equity-debt mix over the last five fiscal years:





We believe that this strong performance makes ABSLI an attractive bet for our customers, and enables us to improve our target acquisition.

5. Strong Financial Position and Risk Management and Profitability

ABSLI has a strong capital position with a solvency ratio of 2.0 compared to IRDA prescribed ratio of 1.5. Additionally, there has been no requirement for capital infusion for the past 7 years. Proactive measures have been undertaken to strengthen compliance and risk management given ABSLI's focus to maintain robust internal controls, mitigate risks and improve sales conduct. ABSLI's robust risk management framework has helped it to maximize value for customers and various other stakeholders.

ABSLI's underwriting process helps it to identify and control risks to ensure that any policy decision is within its mortality and morbidity risk appetite. ABSLI follows a balanced underwriting approach that seeks to ensure fairness and convenience to its customers while being profitable in the business. ABSLI's focus in this relation is on high margins along with long tenure products with a slow shift to higher traditional products and increased tenure. This has consequently resulted in growth in premiums (higher than markets) with market share gains. ABSLI's growth has also resulted in improvement in persistency and improvement in VNB margins. ABSLI's 13th month persistency ratio has seen a significant shift in recent years growing from 62.2% in fiscal year 2015 to 64.7% in fiscal year 2016 and 71.5% in fiscal year 2017 and 70.08% during the first quarter of fiscal year 2018, on account of quality sales management practices and superior underwriting.

Key Strategies of ABSLI

1. Increase share of Non-Agency Channels including Bancassurance

With a view to grow its non-agency business, ABSLI is making focussed efforts to increase the non-agency share in the total business. ABSLI is expanding its highly profitable direct marketing channel as well as developing alternate channels to grow at a rate higher than market rate by way of increasing the number of policies sold online, outside office, etc.

In the Bancassurance space, ABSLI has tie-ups with Deutsche Bank, Development Credit Bank and Karur Vysya Bank. ABSLI believes that not being a subsidiary of a private bank, unlike some of its competitors, provides ABSLI a unique opportunity to tie up with multiple banks.

Further, ABSLI stands in a unique position of having very strong proprietary channels coupled with the upside of Bancassurance opportunities coming through the open architecture framework. Within the first 12 (twelve) months of opening up of the Bancassurance space, ABSLI has already taken the first mover advantage by partnering with:

- HDFC Bank;
- DBS Bank Limited; and
- Laxmi Vilas Bank.

ABSLI believes that its strong track record of managing Bancassurance across foreign and Indian banks gives it a platform to leverage the open architecture opportunity and afford the opportunity for significant growth.

2. ***Increase value through focus on 'Protection' and 'Savings', cost efficiencies and superior fund performance***

With India having the biggest gap in the protection segment among many Asian countries, ABSLI aims to continue its focus more on expanding its 'Protection' and 'Savings' portfolios through all distribution channels in order to increase its margins and thus generating higher value with the right risk management framework in place. With the change in industry focus to protection and savings, ABSLI has also placed prime importance on the protection segment.

Further, as seen in the recent trends, online selling has become a big focus area for the insurers along with direct marketing. Keeping this in mind, ABSLI has incubated a digital platform to sell protection online, which in result, offers the highest margins.

ABSLI intends to continue its efforts to drive cost-efficiency through quality sales, quality recruitment and robust operations and technology platforms without compromising on its reach and access to customers.

Delivering superior fund performance is key to drive ABSLI's objective of 'Customer Trust Surplus'. ABSLI aims to maintain a diversified portfolio of equity and debt investments and seeks to continue to outperform its own benchmarks as well as peers.

3. ***Improve Customer retention***

With life insurance being a long term business, 'Customer Retention' is one of ABSLI's key objectives to deliver high value and profitability, both for the customers and the shareholders. ABSLI believes that its unique distribution model helps it to engage better with customers- pre and post sales. ABSLI intends to continue to pro-actively engage with the customers, reduce TAT and take appropriate intervening steps in this regard in order to achieve optimum market discovery and retention of existing customers.

ABSLI further intends to extensively use its cognitive techniques and proprietary tools in order to identify target market and develop more such tools and techniques in the future to achieve a competitive advantage.

ABSLI's key focus is on providing differentiated offering through product innovation tailored to customer needs. Therefore, ABSLI aims to deliver customized products for all classes of customers. ABSLI provides certain customized products like income insured, secure plus, protect @ ease, cancer care and hospital plus in the Non PAR category. In addition to the same, products such as vision endowment, vision life income, wealth aspire, etc. are available for the PAR category and ULIPs. ABSLI believes that this differentiated suite of products is vital for its aim to ensure customer retention and expansion.

4. ***Focus on improving operating efficiency and adopting robust technology***

ABSLI intends to continue its efforts to drive cost efficiency through quality sales, quality recruitment and robust operations and technology platforms without compromising on the reach and access to customers. Its cost ratios (opex excluding commissions) have seen a declining trend from 22% in fiscal year 2013 to 18.7% in fiscal year 2017. Constant improvement in productivity coupled with right movement in product mix has led to efficiency in cost management.

ABSLI is continuously investing in technology including digital, analytics, cloud and mobile to strengthen its capability to service its customers and distributors across the full life cycle from acquisition to retention. Substantial part of its investments in technology is aimed at improving productivity, run more efficient operations and enhancing its cyber security and data protection/risk management framework.

Financial Information

For the summary of audited financial statements of ABSLI for the last five fiscal years, see "Summary of Financial Information" on page 28.

The complete audited financial statements of ABSLI for the last five fiscal years are available at http://adityabirlacapital.com/Pages/Investors/FinReports.aspx.

Key Performance Indicators of ABSLI

Particulars* (in ₹ million, unless otherwise indicated)	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Q1 Fiscal Year 2018
New Business premium	18365	16975	19379	22203	25343	4208
o/w Individual premium	10481	8790	7614	7114	9604	1700
o/w Group premium	7884	8185	11765	15089	15738	2508
o/w First year premium	18102	16387	18964	21734	24648	1885
o/w Single premium	263	588	416	469	694	2323
Renewal premium	33798	31356	32953	33594	31897	6020
Total premium	52163	48331	52332	55797	57240	10228
APE	18131	16436	19041	21781	24718	2117
Opex	11613	10445	9959	10375	10673	2476
Commissions	3005	2347	2334	2181	2551	435
Death Claims	3120	3369	3532	3286	3883	1100
Investment income	20700	24959	53092	6434	43376	10483
Net profit	1743	2889	2854	1400	1228	284
AUM	229292	247746	301847	308113	345228	351804
Shareholders' Equity	24495	21696	21695	21692	21695	21700
Solvency ratio	2.95	1.98	2.05	2.11	2.00	2.04
Embedded value (₹ Crs)	36867	32248	32603	32750	34282	34282
VNB	1,856	1,582	1,094	1,105	1,640	273
Operating efficiency						
Commission % of total premium**	5.76%	4.86%	4.46%	3.91%	4.46%	4.25%
Opex % of total premium	22.26%	21.61%	19.03%	18.59%	18.65%	24.21%
Underwriting quality						
13-m persistency	81.32%	60.10%	62.17%	64.69%	71.45%	70.08%
37-m persistency	71.64%	64.20%	56.61%	49.61%	52.21%	47.45%
Conservation ratio	64.98%	69.65%	82.10%	82.79%	77.30%	76.80%

Particulars* (in ₹ million, unless otherwise indicated)	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Q1 Fiscal Year 2018
Retention ratio	0.97	0.96	0.97	0.97	0.97	0.96
Profitability						
VNB margin	16.6%	16.2%	14.1%	15.2%	17.4%	15.7%
Operational metrics						
No. of agents	1,16,498	1,03,123	90,537	1,10,658	82,045	83,346
Product mix / Distribution mix**						
NON PAR	53%	29%	21%	22%	40%	28%
PAR	2%	31%	41%	43%	29%	36%
ULIP	45%	40%	38%	36%	30%	35%

**Financial information is derived from the audited financial statements for the relevant period.*
*** Product ratio is for individual new business premiums.*

B. Aditya Birla Health Insurance Co. Limited

Aditya Birla Health Insurance Co. Limited (“**ABHICL**”) was incorporated in 2015 as a joint venture between MMI Strategic Investments Private Limited, MMI Holdings Limited, ABNL and our Company. ABHICL is engaged in the business of health insurance. MMI Holdings, which is a partner to our Company in this joint venture, is a diversified financial services leader from South Africa.

Industry Opportunity and Growth

The health insurance segment remains one of the fastest-growing segments of the insurance industry against the backdrop of sustainable growth drivers being (i) current low retail insurance penetration; and (ii) rising medical costs and increased incidence of lifestyle diseases. It is expected that the industry would maintain its growth momentum.

In its current form, the industry plays the traditional role of a financer and/or administrator. While there has been an improvement in areas around cashless and hospital network, the basic conversation with the customer has not evolved from medi-claim to “health + insurance”. There is a need to adopt a holistic approach towards health and incentivized wellness and an opportunity to create a business model on the philosophy of health first.

Business Philosophy and Customer Engagement

ABHICL’s business philosophy is to move insurance beyond the current model of funding for sickness, by moving from “buy and forget” to “buy and engage”. ABHICL has defined its business purpose to “empower and motivate families to prioritize their health and live fulfilling lives”. Three components of ABHICL’s customer engagement program are:

(i) “know your health” through which ABHICL helps customers know their health better through continuous engagement;

(ii) “improve your health” through which customers are encouraged to adopt a holistic approach towards health management by prevention of disease and wellness management; and

(iii) “get rewards” by motivating customers to participate and live a healthy lifestyle through rewarding for healthy behaviour.

ABHICL takes special care to address pain points for customers especially at the time of hospitalisation and discharge. Customer engagement model of ABHICL includes active customer engagement by leveraging incentivized wellness, chronic care for driving healthy behaviour and managing customer experience across policy lifecycle. ABHICL's 'Virtual Care Managers' facilitate customer handholding during hospitalization and discharge. The app/portal and proactive customer communication facilitate ease of pre-authorisation processing of claims.

In order to measure the customer experience proactively, we have commenced 'Net Promoter Score' score tracking right from the start of operations.

Product Differentiation

ABHICL's aims to differentiate itself in the industry through the three pillars of (i) core product proposition, (ii) digital delivery and (iii) customer experience. ABHICL product proposition includes:

- Flexible health cover for existing consumers seeking comprehensive insurance cover;
- Chronic care management for those who suffer from chronic lifestyle conditions; and
- Incentivized wellness for the young and health conscious.

The current product portfolio comprises Retail Activ Health, Group Activ Health and Group Activ Secure (Fixed Benefit).

Digital Delivery

ABHICL also focuses on digital delivery and service. Its digital assets include:

- Health insurance app 'Activ Health' which covers the entire spectrum of customer life cycle with features such as electronic health record, doctor discovery search provider as well as wellness tracking; and
- Seller app 'H-app-y' to enable the sales force in selling and servicing customers.

Multi-channel Distribution Capacity and marketing

ABHICL's multi-channel distribution strategy drives scale and comprises of agency, Bancassurance, brokers, digital and online tele-assisted channels and all such channels are active. As at June 30, 2017, agency roll out was achieved in 34 cities and 43 branches with around 3,054 agents and ABHICL has partnered with four banks including HDFC Bank. ABHICL also has 199 brokers (87 retail and 112 group brokers).

Effective marketing campaigns to achieve 360 degree coverage across channels with special emphasis on digital have been activated since launch of business. ABHICL undertakes regular channel campaigns and health community activities in addition to advertising and customer communication.

ABHICL won 'Best Health Insurance company of the year' by the Times Network for Excellence in BFSI sector and 'Rising star of the year' at the 2nd Annual India Insurance Summit & Awards 2017 in fiscal year 2018.

ABHICL's campaign 'The Movekars' won 'Best digital integrated campaign' and 'Best digital marketing campaign' by the 'BBC Knowledge National Digital Marketing Awards' in fiscal year 2017. Further, the product portfolio of ABHICL has won 'New Insurance product of the year' by 'World Health and Wellness Congress' in fiscal year 2017 and 'Innovator of the year" at Insurance India Summit & Awards 2017 in fiscal year 2018.

C. Aditya Birla Wellness Private Limited

Aditya Birla Wellness Private Limited ("**ABWPL**") was incorporated in 2016 as a joint venture between MMI Strategic Investments Private Limited, MMI Holdings Limited, ABNL and our Company. It is engaged in the business of managing and administering wellness benefits under approved insurance products of ABHICL.

ABWPL is in the process of launching 'Multiply' which is ABWPL's wellness and rewards program that inspires customers to reach their goals by rewarding progress. 'Multiply' rewards customers with discounts on a variety of partner brands. It will be launched under two plans – Smart and Flagship.

D. Aditya Birla Sun Life Pension Management Limited

Aditya Birla Sun Life Pension Management Limited ("**ABSLPML**"), incorporated in 2015, is a wholly owned subsidiary of Aditya Birla Sun Life Insurance Company Limited. It is registered with the Pension Fund Regulatory and Development Authority ("**PFRDA**") to act as the Pension Fund Manager of the NPS Trust under the National Pension System ("**NPS**") to manage the pension funds for private sector in accordance with the applicable provisions of the NPS, the schemes, the guidelines issued by the Pension Fund Regulatory and Development Authority. ABSLPML commenced its business from May 5, 2017.

IV. Advisory

A. Aditya Birla MyUniverse Limited

Aditya Birla MyUniverse Limited ("**ABMUL**") was incorporated in 2008 and ventured into the personal finance management space in 2012 through its online money management platform www.MyUniverse.co.in ("**MyUniverse**"). It offers its customers account aggregation of all financial services products including bank accounts, credit cards, loans, mutual funds, demat accounts, insurance, incomes and expenses in a highly secure environment. MyUniverse provides the customers with a single window view of their personal financial universe thereby helping them in evaluation of their net worth. It also seeks to assist its customers with money management through a wide range of personal finance services such as expense tracking, setting budgets, transactions tracking, registration for payment of bills and online tax filing services, through third party service providers.

MyUniverse, in addition to aggregation, analyses and presents data in an intelligible format to the customers and also provides financial transaction capabilities. It is a rapidly growing platform and now has over 3.91 million registered customers with around 8% to 15% of them using the aggregation services. In February 2015, ABMUL also started online mutual fund distribution facility on MyUniverse. Since then MyUniverse has expanded its product portfolio by launching various new products such as personal loans, business loans, home loans, education loans, credit cards, savings accounts and group health insurance. MyUniverse works with over 50 financial institutions and offers their services and products.

The Non-Banking Financial Company Account Aggregator (Reserve Bank) Directions, 2016 published on November 26, 2016 (the "**NBFC-AA Directions**"), require that entities that are already carrying on the business of an account aggregator as on November 26, 2016, shall apply to RBI for registration within a month from such date and upon grant of this license, such entities shall only be permitted to carry out the business of providing account aggregator services. Pursuant to this, ABMUL has applied for a license under the NBFC-AA Directions through ABCAP Trustee Company Private Limited, a fellow subsidiary company, and after obtaining the license and establishing the required technological setup, including the consent artifact, the account aggregation services of ABMUL shall thereafter be migrated to ABCAP Trustee Company Private Limited.

B. Aditya Birla Insurance Brokers Limited

Aditya Birla Insurance Brokers Limited ("**ABIBL**") is a leading composite insurance broker (non-life and re-insurance) registered and regulated by the Insurance Regulatory and Development Authority of India ("**IRDAI**").

ABIBL is in the business of insurance broking and risk advisory services in non-life and reinsurance business. It specializes in providing insurance broking and risk management solutions for companies and individuals. ABIBL also offers re-insurance solutions to insurance companies and has developed strong relations with Indian as well as global insurers operating in India, South Asia, Middle East and South East Asia.

ABIBL is among the leading players in the retail industry and enjoys a strong presence in the corporate business industry where it provides solutions to a vast array of sectors ranging from manufacturing and metals to financial services. Its market share has grown from 1.68% in fiscal year 2016 to 2.02% in fiscal year 2017 (*Source: General Insurance Council*).

ABIBL aims to simplify the complex world of general insurance for its customers. It employs a team of experts to analyze a client's business and estimate the level of risk exposure before structuring an appropriate general insurance solution. ABIBL focuses on developing cost-effective and customized insurance packages while ensuring that the process of claim settlements is swift and painless. ABIBL has access to a range of products and solutions in the general insurance market ensuring that its clients are provided with comprehensive risk management strategies.

C. Aditya Birla Commodities Broking Limited

Aditya Birla Commodities Broking Limited ("**ABCBL**"), a wholly owned subsidiary of ABML, is engaged in the business of commodities broking. It is registered as a commodity broker with SEBI and is a member of MCX and NCDEX.

It has a combined pan India distribution network with over 40 branch offices which are spread across Andhra Pradesh, Chandigarh, Rajasthan, Chhattisgarh, Madhya Pradesh, UP, West Bengal, Punjab, Maharashtra, Kerela, Karnataka, Delhi, Gujarat and Tamil Nadu. It has over 600 franchisee offices and a registered customer base of over 50,000.

RECENT DEVELOPTMENTS

The Board of Directors of the Company in their meeting held on August 11, 2017 have taken on record the limited reviewed consolidated and standalone financial results of the Company for the quarter ended June 30, 2017, which are set forth below:

ADITYA BIRLA CAPITAL LIMITED
(FORMERLY KNOWN AS ADITYA BIRLA FINANCIAL SERVICES LIMITED)
STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE 2017

₹ crore

	Particulars	Quarter Ended	
		30th June, 2017 (Unaudited)	30th June, 2016 (Unaudited)
1	**Income**		
	(a) Revenue From Operations	2,697.69	1,127.61
	(b) Other Income	48.99	13.47
	Total Income	**2,746.68**	**1,141.08**
2	**Expenses**		
	(a) Employee Benefits Expenses	319.03	140.37
	(b) Finance Cost	671.55	546.95
	(c) Depreciation and Amortisation Expense	23.66	8.10
	(d) Benefits Paid - Insurance Business	1,278.15	-
	(e) Change in Valuation of Liability in Respect of Insurance Policies	(330.94)	-
	(f) Other Expenses	426.28	181.90
	Total Expenses	**2,387.73**	**877.32**
3	**Profit Before Tax (1-2)**	**358.95**	**263.76**
4	Tax Expense	132.16	107.29
5	**Net Profit for the Period (3-4)**	**226.79**	**156.47**
6	Minority Interest	53.67	46.78
7	**Net Profit after Taxes and Minority Interest (5-6)**	**173.12**	**109.69**
8	Paid Up Equity Share Capital (Face Value of ₹ 10 each)	1,280.64	802.51
9	Earnings Per Share of ₹ 10 each (Not Annualised)		
	(a) Basic - ₹	1.40	1.37
	(b) Diluted - ₹	1.40	1.32

CONSOLIDATED SEGMENTWISE REVENUE, RESULTS ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30TH JUNE 2017

₹ crore

	Particulars	Quarter Ended	
		30th June, 2017 (Unaudited)	30th June, 2016 (Unaudited)
1	**Segment Revenue**		
	NBFC	1,145.76	854.99
	Life Insurance	1,148.96	-
	Asset Management	270.59	204.31
	General Insurance Broking	46.60	37.51
	Money Broking	34.05	27.39
	Health Insurance	63.45	0.07
	Other Financial Services	15.62	6.30
	Total Segmental Revenue	2,725.03	1,130.57
	Less: Inter Segment Revenue	(27.34)	(2.96)
	Total Segment Revenue from Operations (Net)	**2,697.69**	**1,127.61**
2	**Segment Results**		
	NBFC	263.55	173.28
	Life Insurance	28.67	-
	Asset Management	95.18	85.51
	General Insurance Broking	17.57	17.45
	Money Broking	0.31	(1.41)
	Health Insurance	(32.66)	(5.68)
	Other Financial Services	(6.08)	(15.01)
	Total Segment Result	**366.54**	**254.14**
	Less: Finance Costs	(11.05)	(2.24)
	Add: Interest Income	2.85	3.04
	Add: Other Un-allocable (Expenditure) / Income - net	9.97	8.82
	Less: Inter Company Dividend Income	(9.36)	-
	Profit Before Tax	**358.95**	**263.76**
3	**Segment Assets (Including Goodwill)**	**As on 30th June, 2017**	**As on 30th June, 2016**
	NBFC	41,806.86	29,271.14
	Life Insurance	36,767.03	-
	Asset Management	303.36	240.36
	General Insurance Broking	83.61	73.82
	Money Broking	507.50	438.97
	Health Insurance	316.88	252.83
	Other Financial Services	505.58	296.74
	Total Segment Assets	**80,290.82**	**30,573.86**
	Less: Inter-Segment Elimination	**(440.44)**	**(10.60)**
	Add: Unallocated Corporate Assets	**1,591.05**	**954.54**
	Total Assets	**81,441.43**	**31,517.80**
4	**Segment Liabilities**	**As on 30th June, 2017**	**As on 30th June, 2016**
	NBFC	36,280.26	25,233.03
	Life Insurance	34,626.53	-
	Asset Management	248.32	191.34
	General Insurance Broking	48.88	29.93
	Money Broking	210.94	178.83
	Health Insurance	188.73	11.02
	Other Financial Services	130.17	64.67
	Total Segment Liabilities	**71,733.83**	**25,708.82**
	Less: Inter-Segment Elimination	**(440.44)**	**(10.60)**
	Add: Unallocated Corporate Liabilities	**669.04**	**106.40**
	Total Liabilities	**71,962.43**	**25,804.62**

Notes:

1 The above financial results have been prepared for the information of the Board of Directors in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25).

2 The Birla Sun Life Insurance Company Limited (BSLI) has become subsidiary of the company on 23rd March 2017, as a result of this, the figures for the previous period are strictly not comparable.

3 Segments have been identified in accordance with Accounting Standard (AS 17) on Segment Reporting, considering the risk/return profiles of the business, organisational structures and the internal reporting systems. The smaller business segments which are not separately reportable have been grouped under "Other Financial Services" segment.

4 The above results have been reviewed by the Audit Committee at the meeting held on August 11, 2017.

5 The above results have been taken on record at the meeting of the Board of Directors held on August 11, 2017.

6 The Statutory Auditors of the Company have carried out limited review of the financial results for the quarter ended June 30, 2017.

7 Composite Scheme of Arrangement ("Scheme") between Aditya Birla Nuvo Limited ("ABNL"), Grasim Industries Limited ("Grasim") and Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) ("ABCL"), a subsidiary of ABNL was approved by the National Company Law Tribunal Bench at Ahmedabad on June 01, 2017. Accordingly ABNL has been amalgamated with Grasim with effect from July 01, 2017, and ABCL is now a subsidiary of Grasim.

Pursuant to the Scheme,
(i) The Board of Directors of ABNL and Grasim have made the amalgamation effective on July 1, 2017, and accordingly ABCL has become a subsidiary of Grasim with effect from July 1, 2017.

(ii) The Board of Directors of Grasim and ABCL have made the demerger of the financial services business from amalgamated Grasim into ABCL effective on July 4, 2017 and accordingly the financial services business of amalgamated Grasim has been demerged into ABCL with effect from July 4, 2017.

(iii) The Company is in the process of getting its equity shares listed on the BSE and NSE and its GDRs listed on the Luxembourg Stock Exchange.

8 During the quarter, the Company has issued 4,84,00,000 Equity Shares of ₹ 10 each which were subscribed at a premium of ₹ 135.40 each by P I Opportunities Fund - 1 (AIF).

9 Previous period figures have been regrouped/rearranged wherever necessary to conform to the current period presentation. The figures for previous period are subjected to limited review by the previous auditor vide their report dated July 18, 2017.

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Aditya Birla Capital Limited
(Formerly Known as Aditya Birla Financial Services Limited)
Statement Of Unaudited Financial Results For The Quarter Ended June 30, 2017

(₹ in crore)

Sr No	Particulars	Quarter Ended			Year Ended
		June 30,2017	March 31, 2017	June 30, 2016	March 31, 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income				
1	Revenue From Operations	9.72	26.62	0.08	34.99
2	Other Income	-	-	-	0.03
3	**Total Income (1+2)**	**9.72**	**26.62**	**0.08**	**35.02**
4	**Expenses**				
	Employee Benefits Expenses	2.18	10.54	1.80	24.45
	Depreciation and Amortisation Expenses	0.06	-	0.02	0.14
	Other Expenses	1.90	3.62	0.61	5.66
	Total Expenses	**4.14**	**14.16**	**2.43**	**30.25**
5	**Profit / (Loss) Before Finance Cost and Exceptional Item (3-4)**	**5.58**	**12.46**	**(2.35)**	**4.77**
6	Finance Cost	8.45	0.53	-	0.53
7	**Profit / (Loss) After Finance Cost But Before Exceptional Item (5-6)**	**(2.87)**	**11.93**	**(2.35)**	**4.24**
8	Exceptional Item	-	-	-	-
9	**Profit / (Loss) Before Tax (7-8)**	**(2.87)**	**11.93**	**(2.35)**	**4.24**
10	Tax Expenses	-	-	-	-
11	**Profit / (Loss) For The Period (9-10)**	**(2.87)**	**11.93**	**(2.35)**	**4.24**
12	**Paid Up Equity Share Capital**	1,281	1,232	803	1,232
	(Face Value of ₹ 10 Each)				
13	Reserves Excluding Revaluation Reserves				3,378.66
14	**Earnings Per Share of ₹ 10 Each (Not Annualised)**				
	Basic	(0.02)	0.13	(0.03)	0.05
	Diluted	(0.02)	0.13	(0.03)	0.05

Notes :

1 The above financial results have been prepared for the information of the Board of Directors in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25).

2 The above results have been reviewed by Audit Committee at the meeting held on August 11, 2017.

3 The above results have been taken on record at the meeting of the Board of Directors held on August 11, 2017.

4 The Statutory Auditors of the Company have carried out limited review of financial results for the quarter ended June 30, 2017.

5 Composite Scheme of Arrangement ("Scheme") between Aditya Birla Nuvo Limited ("ABNL"), Grasim Industries Limited ("Grasim") and Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) ("ABCL"), a subsidiary of ABNL was approved by the National Company Law Tribunal Bench at Ahmedabad on June 01, 2017. Accordingly ABNL has been amalgamated with Grasim with effect from July 01, 2017, and ABCL is now a subsidiary of Grasim.

Pursuant to the Scheme,

(i) The Board of Directors of ABNL and Grasim have made the amalgamation effective on July 1, 2017, and accordingly ABCL has become a subsidiary of Grasim with effect from July 1, 2017.

(ii) The Board of Directors of Grasim and ABCL have made the demerger of the financial services business from amalgamated Grasim into ABCL effective on July 4, 2017 and accordingly the financial services business of amalgamated Grasim has been demerged into ABCL with effect from July 4, 2017.

(iii) The Company is in the process of getting its equity shares listed on the BSE and NSE and its GDRs listed on the Luxembourg Stock Exchange.

6 The Company operate as a Non-Deposit taking Systemically Important Core Investment Company (CIC-ND-SI) which has similar risk and returns for the purpose of AS-17 on 'Segment Reporting' notified under Companies (Accounting Standard) Rules, 2006 (as amended). The Company operates in a single geographical segment i.e. domestic.

7 During the quarter the Company has issued 4,84,00,000 Equity Shares of Rs. 10 each which were subscribed at a premium of Rs. 135.40 each to P I Opportunities Fund - 1 (AIF).

8 Previous year/period figures have been regrouped/rearranged wherever necessary to conform to the current period presentation. The figures for previous year and period are subjected to audit and limited review respectively by the previous auditors vide their report dated May 09, 2017 and August 03, 2016 respectively.

HISTORY AND CERTAIN CORPORATE MATTERS

Corporate Profile and Brief History

Our Company was originally incorporated on October 15, 2007 under the Companies Act, 1956 as 'Aditya Birla Financial Services Private Limited' with the Registrar of Companies, Mumbai, Maharashtra and had received a certificate of registration from the Reserve Bank of India on May 19, 2009 to commence / carry on the business of non-banking financial institution without accepting public deposits. The Company was converted from a private limited company to a public limited company and thereafter the name of the Company was changed from 'Aditya Birla Financial Services Private Limited' to 'Aditya Birla Financial Services Limited' with effect from December 4, 2014. The name of our Company was further changed to its present name 'Aditya Birla Capital Limited' and a fresh certificate of incorporation was issued by the RoC on Jun 21, 2017. The Company has been set up as a holding company for the financial services business of Aditya Birla Nuvo Limited.

Changes in Registered Office

Date of change	Details of address of Registered Office	Reason for change
December 15, 2009	From A-1, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai, 400 030 to Indian Rayon Compound, Veraval, Gujarat, 362 266.	To achieve better administrative and management control.

Major events

The table below sets forth the key events in the history of our Company:

Fiscal year	Particulars
2009	Aditya Birla Financial Services Group acquires Apollo Sindhoori Capital, a leading brokerage firm in India.
2011	Our Company launched the Private Equity Fund.
2012	Our Company launched MyUniverse, an online personal finance management portal.
2014	Our Company commenced its housing finance business through its subsidiary Aditya Birla Housing Finance Limited.
	Our Company acquired mutual fund schemes & portfolio accounts of ING Mutual Fund.
	IFC acquired strategic investment in the online personal finance management portal MyUniverse.
2015	Our Company was granted a certificate of registration as a non - deposit taking - systematically important core investment company ("**CIC-ND-SI**") by the RBI.
2016	Sun Life Financial (India) Insurance Investment Inc. increased its stake in one of our key Subsidiaries engaged in the life insurance business, Aditya Birla Sun Life Insurance Company Limited, from 26% to 49%.
2017	Our Company launched its health insurance and incentivised wellness business through our Subsidiaries Aditya Birla Health Insurance Co. Limited and Aditya Birla Wellness Private Limited.
	Our Company, through its subsidiary Aditya Birla ARC Limited, applied for the grant of an asset reconstruction and securitization license with the RBI.

Certifications, Awards and Recognitions

Year	Particulars
2014	Our Company was awarded the 'Excellence Award' by the Institute of Internal Auditors India, Bombay Chapter for use of the most innovative processes in conducting branch internal audit.
2015	Our Company won the CIO Impact Award 2015 from Frost & Sullivan USA and Best in Class in the 'Cloud Computing' category.
2016	We received a Certificate of Achievement from the Society for Human Resource Management in the category of 'Excellence in Developing Leaders of Tomorrow'.
	Our mutual fund won 'Silver' at Maddys 2016 in the category 'In-App advertising' for their

Year	Particulars
	investor empowerment campaign 'Jaanoge Tabhi Toh Maanoge'.
2016	Our subsidiary ABFL was recognized at the Confederation of Indian Industry – HR Excellence Awards under 'Strong Commitment to Excellence' category.
2017	Our subsidiary ABSLI was ranked 4th in a customer loyalty study conducted by Kantar IMRB.
2017	Our subsidiary ABSLAMC received the 'Best Innovative Approach to Investor Awareness' award at the Outlook Money Awards 2016.
2017	Our subsidiary ABSLAMC received the 'Overall Fund House of the Year' award at the Thomson Reuter Lipper Awards.
2017	Our subsidiary ABSLAMC received the 'Best Fund House - Investor Education' at the Asia Asset Management Awards.
2017	The product portfolio of our subsidiary ABHICL received the 'New Insurance product of the year' award from the World Health and Wellness Congress.
2017	Our subsidiary ABHICL received the 'Innovator of the year' at Insurance India Summit & Awards 2017.

Our Main Objects

The main objects for which our Company has been established and as contained in the Memorandum of Association are set out hereunder:

"*To carry on business of an investment Company and to buy, underwrite, sub-underwrite, to invest in with or without interest or security, acquire and hold, sell, buy or otherwise deal in shares, debentures, debentures-stock, bonds, units, other financial instruments or obligations and securities issued by or guaranteed by any company constituted or carrying on any business in India or elsewhere or issued or guaranteed by any Government Central or State, Public Body or authority, Supreme, Municipal, Local or otherwise, firm/or persons, whether in India or elsewhere by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, and to guarantee the subscription and to exercise and enforce all rights and powers conferred by incidental to ownership thereof and to deal with or turn to account the same, however the Company shall not carry on the banking business or insurance business within the purview of the Banking Regulations Act, 1949 or the Insurance Act.*"

"*To finance the Industrial Enterprises and to provide venture capital, seed capital, loan capital and to participate in equity / preference share capital or to give guarantees on behalf of the company in the matter and to promote companies engaged in Industrial, Infrastructure and Trading business.*"

Amendments to our Memorandum of Association

Date of the Resolution	Particulars
June 10, 2009	Authorized share capital of ₹ 21,000,000 divided into 2,100,000 Equity Shares of ₹ 10 each was increased to ₹ 500,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each and 2,500,000 preference shares of ₹ 100 each.
July 29, 2009	Authorized share capital of ₹500,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 2,500,000 preference shares of ₹100 each was reclassified into ₹500,000,000 divided into 50,000,000 Equity Shares of ₹10 each. Authorized share capital of ₹500,000,000 divided into 50,000,000 Equity Shares of ₹10 each was increased to ₹1,000,000,000 divided into 100,000,000 Equity Shares of ₹10 each.
September 9, 2009	Authorized share capital of ₹ 1,000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each was increased to ₹ 1,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each.
September 19, 2009	The registered office of our Company was changed from From A-1, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai, 400 030 to Indian Rayon Compound, Veraval, Gujarat, 362 266.
February 10, 2010	Authorized share capital of ₹ 1,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each was increased to ₹ 6,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and

Date of the Resolution	Particulars
	500,000,000 preference shares of ₹ 10 each.
March 29, 2011	Authorized share capital of ₹ 6,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 500,000,000 preference shares of ₹ 10 each was increased to ₹ 7,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 600,000,000 preference shares of ₹ 10 each.
September 28, 2011	Authorized share capital of ₹ 7,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 600,000,000 preference shares of ₹ 10 each was increased to ₹ 8,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 700,000,000 preference shares of ₹ 10 each.
August 9, 2012	Authorized share capital of ₹ 8,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 700,000,000 preference shares of ₹ 10 each was increased to ₹ 11,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 1,000,000,000 preference shares of ₹ 10 each.
April 26, 2013	Authorized share capital of ₹ 11,500,000,000 divided into 150,000,000 Equity Shares of ₹ 10 each and 1,000,000,000 preference shares of ₹ 10 each was increased to ₹ 20,000,000,000 divided into 750,000,000 Equity Shares of ₹ 10 each and 1,250,000,000 preference shares of ₹ 10 each.
October 29, 2014	The name of our Company was changed from Aditya Birla Financial Services Private Limited to Aditya Birla Financial Services Limited due to conversion from private company to a public company.
February 7, 2015	Authorized share capital of ₹20,000,000,000 divided into 750,000,000 Equity Shares of ₹10 each and 1,250,000,000 preference shares of ₹ 10 each was reclassified into ₹ 20,000,000,000 divided into 720,000,000 Equity Shares of ₹10 each and 1,280,000,000 preference shares of ₹10 each. Authorized share capital of ₹ 20,000,000,000 divided into 720,000,000 Equity Shares of ₹ 10 each and 1,280,000,000 preference shares of ₹ 10 each was increased to ₹ 30,000,000,000 divided into 800,000,000 Equity Shares of ₹ 10 each and 2,200,000,000 preference shares of ₹ 10 each.
March 2, 2016	Authorized share capital of ₹ 30,000,000,000 divided into 800,000,000 Equity Shares of ₹ 10 each and 2,200,000,000 preference shares of ₹ 10 each was increased to ₹ 40,000,000,000 divided into 1,000,000,000 Equity Shares of ₹ 10 each and 3,000,000,000 preference shares of ₹ 10 each.
February 20, 2017	Authorized share capital of ₹ 40,000,000,000 divided into 1,000,000,000 Equity Shares of ₹ 10 each and 3,000,000,000 preference shares of ₹ 10 each was increased to ₹ 40,000,000,000 divided into 2,200,000,000 Equity Shares of ₹ 10 each and 1,800,000,000 preference shares of ₹ 10 each.
June 12, 2017	Authorized share capital of ₹40,000,000,000 divided into 2,200,000,000 Equity Shares of ₹10 each and 1,800,000,000 preference shares of ₹10 each was reclassified into ₹40,000,000,000 divided into 4,000,000,000 Equity Shares of ₹10 each. The name of our Company was changed from Aditya Birla Financial Services Limited to Aditya Birla Capital Limited.

Changes in the activities of our Company during the preceding five years

There have been no changes in the activities of our Company during the preceding five years preceding the date of the Information Memorandum, which may have a material adverse effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Injunctions or restraining orders against our Company

There are no significant or material orders passed by any Regulators or Tribunals or Hon’ble Courts against our Company.

Subsidiary Companies

As of the date of this Information Memorandum, our Company has 26 Subsidiaries. Please see the section entitled “Our Subsidiaries” on page 160 for details in relation to the Subsidiary Companies.

Holding Company

Prior to the Scheme of Arrangement, Aditya Birla Nuvo Limited (along with its nominees) held 100% of the paid-up equity share capital of our Company and was our holding company in terms of the Companies Act, 2013. Upon consummation of the Scheme, Grasim is our holding company and holds 55.99% of the Equity Shares of our Company.

Material Agreements

A. Aditya Birla Sun Life Insurance Company Limited

1. *ABSLI Shareholders' Agreement dated April 10, 2012 between Aditya Birla Nuvo Limited, Sun Life Financial (India) Insurance Investment Inc., Sun Life Assurance Company of Canada, Birla Group Holdings Private Limited and Aditya Birla Sun Life Insurance Company Limited (the "ABSLI Shareholders' Agreement")*

Shareholders' Agreement dated February 1, 2001 ("**ABSLI Initial Agreement**") was entered into between Indian Rayon and Industries Limited ("**IRIL**") and Birla Global Finance Limited ("**BGFL**"). Subsequently, IRIL changed its name to Aditya Birla Nuvo Limited ("**ABNL**") with effect from October 27, 2005 and on June 30, 2006 BGFL was merged into ABNL. Further vide an amended and restated Shareholders' Agreement dated April 10, 2012 ("**ABSLI Shareholders' Agreement**"), ABNL, Sun Life Assurance Company of Canada ("**Sun Life Canada**"), Sun Life Financial (India) Insurance Investment Inc. ("**Sun Life India**", and together with Sun Life Canada, "**Sun Life Group**"), Birla Group Holdings Private Limited ("**BG Holdings**") and Aditya Birla Sun Life Insurance Company Limited ("**ABSLI**") have entered into an arrangement for the purposes of forming a joint venture company. All parties to the ABSLI Shareholders' Agreement are bound by the provisions mentioned under the agreement and applicable Indian laws and are responsible to ensure the compliance of each provision of the ABSLI Shareholders' Agreement.

In terms of the ABSLI Shareholders' Agreement, ABNL and Sun Life India were the legal and beneficial owners of issued and outstanding shares of ABSLI in the ratio of 74% and 26%, respectively.

Under the ABSLI Shareholders' Agreement, the Aditya Birla Group shall always hold at least 51% of the total number of shares held by both groups in the aggregate. Further, the Sun Life Group will not, at any time, own more than 49% of the shares held by both groups in the aggregate and Sun Life Group will, at all times, own more shares than any other shareholder or group of affiliated shareholders (other than the Adiya Birla Group). The ABSLI Shareholders' Agreement further provides that a voluntary reduction in the share capital by the Aditya Birla Group will not require the Sun Life Group to reduce its shareholding interest. However, if the Aditya Birla Group, due to operation of law, is unable to hold more than 26% of the shares, in that case, the Sun Life Group will ensure that it does not own more than 26% shares in ABSLI without the consent of theAditya Birla Group.

Without Sun Life Group's prior written consent, no other foreign person may directly or indirectly own any shares as a result of any transaction undertaken by ABNL or any other member of the Aditya Birla Group, or otherwise if it results in Sun Life Group's shareholding becoming less than 26%. In case ABSLI enters into any bancassurance arrangement or any transaction which might result in dilution of Sun Life Group's shareholding below 26% then a) ABNL will disproportionately dilute its interest in the share capital by transferring shares to a third party, in which case, Sun Life Group will reimburse ABNL for that disproportionate dilution based on a price agreed between the groups, or in case of a disagreement, at a fair value of shares in cash; and b) ABSLI will issue shares in which both the groups will either cause ABSLI to issue fresh shares to Sun Life Group or cause ABNL to transfer its shares to Sun Life Group in order to bring the shareholding of Sun Life Group to 26% or above. Except for meeting solvency or any other regulatory requirements, no new shares or securities shall be issued. However, ABSLI can issue shares or securities if the shares or securities are issued to facilitate a banassurance or other commercial arrangement for ABSLI.

Governance and Management

The board of directors of ABSLI is required to have 11 directors in total, out of which three shall be the nominees of Sun Life Group, four nominees of ABNL, one CEO and three independent directors. If the shareholding of any group falls below 26%, these privileges shall cease to exist. Chairman of ABSLI and the board shall always be a nominee of ABNL. Any shareholder entitled to nominate a director has the power to remove him/her on issuance of a notice. The quorum for any meeting of the board shall not form unless one director of each of Sun Life Group and ABNL are present. Additionally, all related party transactions must be at an arms length. In case the consideration of the related party transaction is above ₹ 200,000, the same shall be approved by the shareholders who are not a party to such a transaction. This however, shall not apply to any arrangement entered into in the normal course of ABSLI's business not exceeding ₹ 10,000,000.

Permitted transfer of shares within groups

Either group may transfer its shares to the other group by giving a 21 days' advance written notice and in accordance with the applicable provisions of the ABSLI Shareholders' Agreement by providing necessary representations and warranties. Before the transferee to which the shares have been transferred ceases to be a member of the applicable group, it must transfer the shares back to the transferor or any other member of the applicable group, failing which it shall be deemed to be in default of a material obligation under the ABSLI Shareholders' Agreement. The transfer of shares will be at fair value unless otherwise specified by in the ABSLI Shareholders' Agreement.

Non Competition

If any member of the Aditya Birla Group acquires control (by way of share purchase, asset purchase, merger, etc) of another person/business directly or indirectly engaged in the life insurance business in India, then ABNL shall ensure or procure that affiliate to ensure that applicable lines of business are divested. Additionally, the Sun Life Group shall be entitled to participate in the life insurance business and acquire the same percentage of shares in the life insurance business in India as it maintains in ABSLI, in each case within 6 months of the closing of the acquisition.

Termination

The ABSLI Shareholders' Agreement shall terminate by mutual agreement or if one of the group becomes the beneficial owner of all shares in ABSLI.

2. SHA First Amendment dated March 29, 2016 between dated April 10, 2012 between ABNL, Sun Life India, Sun Life Canada, BG Holdings and ABSLI (the "ABSLI First Amendment Agreement")

The Parties to the ABSLI Shareholders' Agreement dated April 10, 2012 have entered into a First Amendment Agreement dated March 29, 2016 ("**ABSLI First Amendment Agreement**") in order to comply with the requirements of 'Indian Owned and Controlled' guidelines as issued by the Insurance Regulatory and Development Authority of India ("**IRDAI**"). As per the ABSLI First Amendment Agreement, the following changes shall be made to the ABSLI Shareholder's Agreement:

- "Sun Life (India) Insurance Investments Inc." shall be replaced with 'Sun Life Financial (India) Insurance Investments Inc.';

- The Aditya Birla Group ("**ABG**") will always own at least 51% of the total number of shares held by both groups in the aggregate. Additionally, the Sun Life Group shall not at any time own more than 49% of the total number of shares held by both groups in the aggregate. Further, the Sun Life Group shall always own more shares than any other shareholder or group of affiliated shareholders (other than the ABG);

- In case of a voluntary reduction in the share capital by ABG, the Sun Life Group is not required to reduce its shareholding interest;

- If ABG due to reason of operation of Indian law cannot own more than 26% of the share capital in ABSLI, in that case the Sun Life Group shall not own more than 26% shares without the consent of ABG. However, under no circumstances, the Sun Life Group shall be required to dilute more than 26% shares in ABSLI.

- The board shall have a maximum of 12 directors of which a minimum two would be independent directors.

- A nomination and remuneration committee shall be appointed by the board to identify and make recommendations in relation to appointed candidates, to develop the ABSLI's compensation and remuneration policies, etc.

- If either member of either group decides to purchase shares and is restricted by reason of operation of any requirement of Indian law/regulation/policy, then that group will be entitled to assign its right to purchase these shares to any third party or third parties.

3. *SHA Second Amendment Agreement dated June 29, 2017 between ABNL (since amalgamted with Grasim with effect from July 1, 2017), Sun Life India, Sun Life Canada, BG Holdings and ABSLI (the "ABSLI Second Amendment Agreement")*

The Parties to the ABSLI Shareholders' Agreement dated April 10, 2012 have entered into a Second Amendment Agreement dated June 29, 2017 ("**ABSLI Second Amendment Agreement**") in order to comply with the directions issued by IRDAI for compliance of 'Indian Owned and Controlled' guidelines. As per the ABSLI Second Amendment Agreement, the following changes have been made to the ABSLI Shareholder's Agreement:

- Definition and constitution of an Advisory Committee of the shareholders of ABSLI alongwith its roles and functions has been added.

- The resolution to appoint or remove the CEO requiring the affirmative vote of atleast one director representing each shareholder has been deleted.

- The power of the board of directors of ABSLI to establish a Nomination and Remuneration Committee alongwith its roles and functions has been added.

- In the extra ordinary matters,

  a) the following paragraphs have been deleted:

     i. The approval of the Company's business plans, which will include, among other items, an annual budget, product development proposals and the investment policy.

     ii. The determination of remuneration payable to a Director by way of commission or otherwise.

  b) The following paragraph has been modified to include the *highlighted* portion:

     "The creation of any policy relating to long-term or deferred compensation plans/arrangements for key employees, *subject to compliance with the Corporate Governance guidelines of IRDAI*."

4. *Share Purchase Agreement dated December 2, 2015 between ABNL, Sun Life India, ABSLI, Sun Life Canada and BG Holdings ("ABSLI SPA")*

ABNL, Sun Life India, ABSLI, Sun Life Canada and BG Holdings had entered into a share sale and purchase agreement dated December 2, 2015 ("**ABSLI SPA**") for sale of 23% shares of ABSLI by ABNL to Sun Life India, increasing Sun Life India's shareholding to 49% in ABSLI. The change was made pursuat to the Insurance Laws (Amendment) Act, 2015 permitting an increase in the foreign direct investment in an Indian insurance company from 26% to 49%.

Pursuant to the ABSLI SPA, Sun Life India acquired 437,277,840 shares representing 23% of the equity capital of ABSLI from ABNL, increasing the aggregate shareholding of Sun Life India to 49% in ABSLI. The consideration amount for the acquisition of the sale shares was ₹ 16,640 million.

5. *Share Sale and Purchase Agreement dated March 20, 2017 between ABNL, ABSLI and our Company (the "ABSLI SPA")*

ABNL, ABSLI and our Company have entered into a share sale and purchase agreement dated March 20, 2017 (the "**ABSLI SPA**") for our Company to acquire the 51% of the share capital in ABSLI owned by ABNL for a consideration of ₹12,069.30 million. Pursuant to the execution of the ABSLI SPA, Sun Life India holds 49% in ABSLI by way of 931,591,920 shares and our Company (along with its nominees) holds 51% of the share capital of ABSLI by way 969,616,080 shares.

B. Birla Sun Life Asset Management Company

1. ***Amended and Restated Shareholders Agreement dated October 10, 2012 between our Company, Sun Life (India) AMC Investments Inc., Sun Life Canada, BG Holdings and Birla Sun Life Asset Management Company Limited (the "ABSLAMC Shareholders' Agreement")***

Under a shareholders' agreement dated May 19, 1999 ("**BSLAMC Initial Agreement**"), BGFL, BG Holdings, Sun Life India, Sun Life Canada and ABSLAMC, the parties to the ABSLAMC Initial Agreement recorded their agreement regarding the manner in which ABSLAMC's affairs were to be conducted. With effect from June 30, 2006, BGFL was merged into ABNL. Subsequently, on March 23, 2010, ABNL transferred its shares of ABSLAMC to our Company. Further, on October 10, 2012, Sun Life India transferred 180,000 shares representing 1% of the share capital of ABSLAMC to our Company, resulting in Sun Life India and our Company being the registered and beneficial owners of all the shares in ABSLAMC. Subsequently, our Company, Sun Life India, Sun Life Canada, BG Holdings and ABSLAMC have entered into an amended and restated shareholders' agreement dated October 10, 2012 ("A**BSLAMC Shareholders' Agreement**").

Under the ABSLAMC Shareholders' Agreement, our Company shall hold 51% and Sun life India shall hold 49% of the equity share capital of ABSLAMC. Additionally, our Company has represented and warranted that ABG controls our Company and is the legal and beneficial owner of more than 26% of the issued and outstanding shares in the capital of our Company and the same shall continue to be true and correct during the continuance of the ABSLAMC Shareholders' Agreement.

Further the parties have agreed that ABG will always hold at least 51% of the total number of shares held by both groups in the aggregate and Sun Life Group will not hold more than 49%. Also, Sun Life Group will, at all times, own more shares than any other shareholder or group of affiliated shareholders and shall in no circumstance dilute its interest to below 26% in ABSLAMC. Also, without Sun Life India's prior written consent, no other foreign person may directly or indirectly own any shares as a result of any transaction undertaken by our Company or any other member of the ABG, if the same results in a dilution of the Sun Life Group's Shareholding in ABSLAMC to below 26%.

In case any Indian law requires an Indian entity to hold more than 51% of the shares in ABSLAMC, then the parties shall cause Sun Life India to maintain the largest equity position then permitted for foreign shareholders.

In case of further issue of shares or securities, the foreign shareholder of ABSLAMC, in case of any restrictions imposed by law, has the right to transfer its right to purchase the shares to any third party acceptable to the other group.

Except as expressly provided in the ABSLAMC Shareholders' Agreement, none of the parties may assign any of its rights and obligations under the ABSLAMC Shareholders' Agreement to any person (other than an affiliate) without the prior written consent of all of the other parties to this ABSLAMC Shareholders' Agreement.

Governance and Management

ABSLAMC shall have a minimum of six and a maximum of 12 directors, of which two will be independent directors, three nominees of Sun Life India and four nominees of our Company. While either group owns at least 40% of the share capital, the parties will maintain this proportionate representation of directors. Also, so long as a group owns at least 26% of the share capital, it will be entitled to nominate at least one director. In case it falls below 26% voluntarily, that particular group will cease to be entitled to any of the rights, entitlements, benefits, etc. given to it under the ABSLAMC Shareholders' Agreement. Also, the chairman of ABSLAMC and its board of directors shall always be a nominee of our Company.

Additionally, all related party transactions must be on arm's length terms and must be reported in the next meeting of the board of directors of ABSLAMC, provided however, where the consideration of the transaction exceed ₹ 2,000,000, it must be approved by the shareholders that are not parties to the transaction.

Subject to the terms of the ABSLAMC Shareholders' Agreement, either group can transfer any of its shares to other members of its group after giving 21 days' prior written notice. In case either our Company or Sun Life Canada is dissatisfied with the joint venture relationship with respect to ABSLAMC, then either party may deliver a written notice to that effect. Subsequently, the matter shall be discussed and consulted by the chairman of ABG and CEO of Sun Life Canada. Also once the fair value of shares is determined, the purchaser may offer to purchase all, but not less than all, of the shares beneficially owned by the seller at that price. All transfers of shares between the groups shall be at fair value.

Non-Competition

Our Company and Sun Life Canada shall cause their respective affiliates not to, directly or indirectly, without the prior written approval of the other group, carry on, advice or engage in any manner with any undertaking in India which is in the same business as ABSLAMC or any of its subsidiaries. Further, if ABG ceases to control our Company, but without any prejudice to any rights under the ABSLAMC Shareholders' Agreement, it shall not be deemed to be in breach of any material obligation by virtue of being controlled by a person that may have equity or other interest in a business in India similar to or competing with that carried on by ABSLAMC as at the date of such change of control.

If any member of ABG acquires control of another person or business that is engaged in any undertaking carrying on the same line of business or pension business, our Company shall ensure and procure that affiliate to ensure that the applicable lines of business are divested. It shall also ensure that Sun Life Group shall be entitled to participate in that business / pension business and to acquire the same percentage of the share capital in that business as it maintains in ABSLAMC, and the same shall be subject to Indian laws.

Termination

This ABSLAMC Shareholders' Agreement shall terminate upon earlier of the date on which one group becomes the beneficial owner of all shares of ABSLAMC.

2. Shareholders' Amendment Agreement dated December 24, 2015 between our Company, Sun Life (India) AMC Investments Inc., Sun Life Canada, BG Holdings and ABSLAMC (the "ABSLAMC Amendment Agreement")

In order to amend the terms of the ABSLAMC Shareholders' Agreement, the parties have further entered into an amendment agreement dated December 24, 2015 (the "**BSLAMC Amendment Agreement**"). Under the ABSLAMC Amendment Agreement, our Company along with BG Holdings and ABSLAMC have confirmed that the Sun Life Group has satisfied all its obligations as set out in the ABSLAMC Amendment Agreement as 'Sun Life Group's obligations'. Additionally, it has been further agreed that all provisions of the ABSLAMC Shareholders' Agreement relating to dispute resolution, severability, notices and counterparts and electronic transmission shall *mutatis mutandis* apply to the ABSLAMC Amendment Agreement.

C. Birla Sun Life Trustee Company Private Limited

1. Amended and Restated Shareholders Agreement dated October 10, 2012 between Aditya Birla Financial Services Private Limited, Sun Life (India) AMC Investments Inc., Sun Life Assurance Company of Canada, Birla Group Holdings Private Limited and Birla Sun Life Trustee Company Private Limited (the "ABSL Trustee Shareholders' Agreement")

Under a shareholders' agreement dated May 19, 1999 ("**BSL Trustee Initial Agreement**"), BGFL, BG Holdings (formerly Birla Group Holdings Limited), Sun Life India, Sun Life Canada and Aditya Birla Sun Life Trustee Private Limited ("A**BSL Trustee**"), recorded their agreement regarding the manner in which the ABSL Trustee's affairs were to be conducted. With effect from June 30, 2006, BGFL was merged into ABNL. Subsequently, on March 23, 2010, ABNL transferred its shares of ABSL Trustee to our Company. Further, on October 10, 2012, Sun Life India transferred 180,000 shares representing 1% of the share capital of ABSL Trustee to our Company, resulting in our Company and Sun Life India being the registered and beneficial owners of all the shares in ABSL Trustee. Subsequently, our Company, Sun Life India, Sun Life Canada, BG Holdings and ABSL Trustee have entered into an amended and restated shareholders' agreement dated October 10, 2012 ("A**BSL Trustee Shareholders' Agreement**").

The shareholding pattern of ABSL Trustee, as given under the ABSL Trustee Shareholders' Agreement, is as follows:

S.No.	Name of the Shareholder	Number of Equity Shares	Percentage of Shareholding
1.	ABCL	10,150	50.75
2.	BG Holdings	10	0.05
3.	Mr. Kumar Mangalam Birla	10	0.05
4.	Mrs. Neerja Birla	10	0.05
5.	Aditya Birla Finance Limited	20	0.10

S.No.	Name of the Shareholder	Number of Equity Shares	Percentage of Shareholding
6.	Sun Life India	9,800	49.00

Additionally, our Company has represented and warranted that ABG controls our Company and is the legal and beneficial owner of more than 26% of the issued and outstanding shares in the share capital of our Company and the same shall continue to be true and correct during the continuance of the ABSL Trustee Shareholders' Agreement.

The parties have agreed that ABG will always hold at least 51% of the total number of shares held by both groups in the aggregate and Sun Life Group will not hold more than 49%. Also, Sun Life Group will at all times own more shares than any other shareholder or group of affiliated shareholders and shall in no circumstance dilute its interest to below 26% in ABSL Trustee. Also, without Sun Life India's prior written consent, no other foreign person may directly or indirectly own any shares as a result of any transaction undertaken by our Company or any other member if the Aditya Birla Group, if the same results in a dilution of the Sun Life Group's shareholding in ABSL Trustee to below 26%.

In case any Indian law requires an Indian entity to hold more than 51% shares in ABSL Trustee, then the parties shall cause Sun Life India to maintain the largest equity position then permitted for foreign shareholders.

In case of further issue of shares or securities, the foreign shareholder of ABSL Trustee, in case of any restrictions imposed by law, has the right to transfer its right to purchase the shares to any third party acceptable to the other group.

No decision to offer new shares or securities may be taken other than for the purpose of meeting solvency or other regulatory requirements without a 45 days' notice issued to the shareholders. Further, each shareholder will have the first right to subscribe for such shares or securities so offered on a pro rata basis. However, ABSL Trustee can issue such shares or securities without complying with this requirement if the same are issued upon the exercise of conversion or exchange or rights of other securities previously issued by ABSL Trustee. Also if the shareholder is a member of a group that elects not to exercise or is not entitled to exercise its rights to purchase a pro rata portion of the shares or securities as a result of the share ownership restrictions imposed by Indian laws, it may transfer its rights to purchase these shares to any third party acceptable to the other group, and the approval in this regard shall not be unreasonably withheld.

Except as expressly provided in the ABSL Trustee Shareholders' Agreement, none of the parties may assign any of its rights and obligations under the ABSL Trustee Shareholders' Agreement to any person (other than an affiliate) without prior written consent of all of the other parties to this ABSL Trustee Shareholders' Agreement.

Governance and Management

ABSL Trustee shall have a minimum of four and a maximum of 10 directors, of which one half will be independent directors, one nominee of Sun Life India and one nominee of our Company. While either group owns at least 40% of the share capital, the parties will maintain this proportion representation of directors. Also, so long as a group owns at least 26% of the share capital, it will be entitled to nominate at least one director. In case it falls below 26% voluntarily, that particular group will cease to be entitled to any of the rights, entitlements, benefits, etc. given to it under the ABSL Trustee Shareholders' Agreement. Also, the chairman of ABSL Trustee and its board of directors shall always be a nominee of our Company.

All related party transactions that ABSL Trustee proposes to enter into with a shareholder, an affiliate of a shareholder, a director or an affiliate of a director, must be on arm's length terms and must be reported to the next meeting of the board, provided however that where the subject matter of, or the consideration with respect to, any one or aggregate number of related party transactions exceeds ₹ 2,000,000 or such higher amount as may be mutually agreed between the shareholders. The related party transactions must be approved by those shareholders that are not parties to or affiliated with the parties (other than ABSL Trustee) to the related party transactions. Additionally, either group may at any time and from time to time transfer any of its shares to other members of its group.

An event of default will be deemed to have occurred in case our Company ceases to be controlled by ABG or, in the case of Sun Life India, it ceases to be controlled by the Sun Life Group. If any event of default occurs with respect to our Company or any of its principals, on the one hand, or with respect to Sun Life India or its principal, the aggrieved party will be entitled at its sole option and upon written notice to the defaulting party, to purchase or to cause a third party designated by it to purchase all (but not less than all) the shares held by the defaulting party's group for cash at (a) fair value or (b) in the case of any event of default committed by a defaulting party at 90% of the fair value, which will be determined in accordance the relavant provisions given in the ABSL Trustee Shareholders' Agreement.

Non-Competition

Our Company and Sun Life Canada shall each cause its affiliates not to, directly or indirectly, without the prior written approval of the other group, carry on, advice or engage in any manner with any undertaking in India which is in the same business as ABSL Trustee or any of its subsidiaries. Further, if ABG ceases to control our Company, but without any prejudice to any rights under this ABSL Trustee Shareholders' Agreement, it shall not be deemed to be in breach of any material obligation by virtue of being controlled by a person that may have equity or other interest in a business in India similar to or competing with that carried on by ABSL Trustee as at the date of such change of control.

Additionally, if any member of ABG acquires control of another person or business that is engaged in any undertaking carrying on the same line of business or pension business, our Company shall ensure and procure that affiliate to ensure that the applicable lines of business are divested. It shall also ensure that Sun Life Group shall be entitled to participate in that business / pension business and to acquire the same percentage of the share capital in that business as it maintains in ABSL Trustee, and the same shall be subject to Indian laws.

Termination

This ABSL Trustee Shareholders' Agreement shall terminate upon earlier of the date on which one group becomes the beneficial owner of all shares of ABSL Trustee.

D. Aditya Birla MyUniverse Limited

1. Subscription Agreement dated December 19, 2014 among Aditya Birla MyUniverse Limited, International Finance Corporation and our Company (the "ABMUL Subscription Agreement")

Aditya Birla MyUniverse Limited ("**ABMUL**"), International Finance Corporation ("**IFC**") and our Company have entered into a share subscription agreement dated December 19, 2014 ("**ABMUL Subscription Agreement**") in relation to IFC's investment in ABMUL on terms and conditions as laid down in the ABMULSubscription Agreement. Under the ABMUL Subscription Agreement, IFC agreed to subscribe and pay for an aggregate of 4,695,938 compulsory convertible preference shares ("**ABMUL Subscription Securities**") at ₹ 600 million in two tranches.

Under the terms of ABMUL Subscription Agreement, in the event ABMUL undertakes (i) consolidation, sub-division, reclassification or splitting up of its equity shares; and (ii) issue of bonus shares; the number of equity shares that each ABMUL Subscription Securities converts into and the conversion price will be adjusted accordingly.

Under the terms of ABMUL Subscription Agreement, ABMUL shall not take any action by amendment of ABMUL's charter or through reorganisation, consolidation, sale of share capital, merger or sale of assets, or otherwise, which might result in dilution or increase of the percentage interest in ABMUL to be held by IFC. The ABMUL Subscription Agreement binds and benefits the respective successors and assignees of the parties. However, neither the Company nor ABMUL may assign, transfer or delegate any of its rights or obligations under the ABMUL Subscription Agreement without the prior written consent of IFC.

2. Put Option Agreement dated December 19, 2014 among ABMUL, ABNL, IFC and our Company (the "Put Option Agreement")

Pursuant to the ABMUL Subscription Agreement, ABMUL, our Company, ABNL and IFC have entered into a put option agreement dated December 19, 2014 ("**Put Option Agreement**") in order to undertake their obligations as defined under the ABMUL Subscription Agreement.

Under the Put Option Agreement, our Company has granted to IFC an option to sell to our Company and our Company is obligated to purchase from IFC upon exerice of such option, all or a part of the option securities in accordance with this Put Option Agreement. Additionally, ABMUL has granted to IFC an option to sell to ABMUL and ABMUL is obligated to purchase from IFC upon exerice of such option, all or a part of the option securities in accordance with the Put Option Agreement.

IFC may exercise its option of delivery to the grantor (*which is our Company in case of put option and ABMUL in case of buy back option*) of the option exercise notice, which shall be delivered within 30 days from the determination of the fair market value. The notice shall specify the number of option securities, put price (along with basis for determination of put price) and the bank acccount into which the consideration shall be deposited by the grantor. IFC shall be entitled to any dividends, distributions or return of capital relating to the option securities which were declared or otherwise had a record date on or before the settlement date.

In the event our Company fails to fulfill its obligations, ABNL, which is a confirming party to the Put Option Agreement, shall be obligated to purchase from IFC all or a part of the option security in accordance with the terms of the Put Option Agreement. Once the above obligation of ABNL becomes effective, all provisions of the Put Option Agreement that apply to our Company / grantor, shall apply to ABNL.

In case the grantor fails to make payment of the put price by the settlement date, then such grantor shall pay to IFC a late payment charge which shall accrue at a rate per annum of 5% above three months LIBOR on the dollar equivalent of the amount required to be paid to IFC. Such late payment shall accrue daily from the settlement date until the date the dollar equivalent of the put price is paid in full prorated on the basis of 360 day year for the actual number of days elapsed. Further, in case the grantor fails to purchase and pay after IFC has delivered an option exercise notice, then IFC shall be free to waive, sell, transfer or otherwise dispose of any or all of such unpurchased and unpaid option securities, provided, however, that the granter shall remain obligated to pay to IFC the corresponding put price as reduced by an amount equal to the net proceeds, if any, actually received by IFC as a result of such sale, transfer etc.

The obligations of the grantor are irrevocable and shall not be terminated, suspended or affected in any manner by the deterioration of ABMUL's financial situation, interruption in operations, insolvency, bankruptcy or any similar proceeding by or against ABMUL or any other circumstances whatsoever.

As per the Put Option Agreement, our Company, in its capacity as controlling shareholder of ABMUL, has undertaken to take such action as is necessary to prevent any amendment to the charter and/ or the taking of any action by ABMUL that would restrict or prevent the sale, transfer or disposition of any option securities in accordance with the Put Option Agreement. Additionally, the Put Option Agreement binds and benefits the respective successors and assignees of the parties. However, the grantor may not assign, transfer or delegate an of its rights or obligations under the Put Option Agreement without prior written consent of IFC.

3. Shareholders Agreement dated December 19, 2014 between ABMUL, ABNL, IFC and our Company (the "ABMUL Shareholders' Agreement")

ABMUL, ABNL, IFC and our Company have entered into a shareholders' agreement dated December 19, 2014 ("**ABMUL Shareholders' Agreement**") pursuant to the ABMUL Subscription Agreement, in order to define mutual rights and obligations and terms and conditions governing the relationship of the parties. On the date of the ABMUL Shareholders' Agreement, our Company held 100% of the issued and outstanding shares of ABMUL.

Governance and Management

ABMUL shall have at least one independent director. ABMUL shall constitute and maintain a nomination committee for nominating / identifying persons for appointment as independent directors, and any appointment of an independent director shall only be made pursuant to the nominations made by such nomination committee. Until such time as IFC holds equity securities in ABMUL corresponding to at least 5% of ABMUL's share capital on a fully diluted basis, IFC shall have the right to nominate one director and our Company shall, ensure that the nominee is promptly appointed as a director.

The board of directors of ABMUL shall constitute and maintain an audit committee and shall appoint an independent director (in accordance with the ABMUL Shareholders' Agreement) to chair the audit committee. Any financial audit of ABMUL must be in compliance with the accounting standards and reviewed by the audit committee. All related party transactions shall require the approval of the audit committee, in accordance with the provisions of the ABMUL Shareholders' Agreement.

Notwithstanding any other provision of the ABMUL Shareholders' Agreement, but subject to the transferability of IFC rights, ABMUL shall not and shall ensure that its subsidiaries shall not take the following decisions or actions without the prior written consent of IFC so long as IFC holds any share in ABMUL:

(i) Amend or authorize any amendment to the charter or constitutional documents of subsidiaries in any material manner or in any way which may alter or change the rights, privileges or preferences of any of the IFC securities;

(ii) Change the capital structure of ABMUL in any manner, including by way of creating, authorizing, redeeming, varying, repurchasing or issuing any shares in the share capital of ABMUL, share equivalents or other equity security in ABMUL;

(iii) Authorize or undertake any arrangement for the sale or disposal of (including through a de-merger) assets representing more than 25% of the fair market value of all of the assets of ABMUL, or any subsidiary, whether in one or a series of transactions; or assets that contribute to the generation of more than 25% of the cash flows or revenue of ABMUL;

(iv) Authorize or undertake any arrangement for the disposal (including by way of sale, conveyance, exchange or transfer) of any shares of any subsidiary that results in ABMUL owning (directly or indirectly) less than 75% of such subsidiary; or

(v) Any sale, amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction with respect to ABMUL or any subsidiary or our Company.

Additionally, during the term of the ABMUL Shareholders' Agreement, ABMUL shall not and shall ensure that its subsidiaries shall not take the following decisions or actions without the prior written consent of IFC so long as it holds at least 5% of the share capital on a fully diluted basis:

(i) Enter into any strategic partnership or alliance, or financial partnerships, or other partnership or alliance of ABMUL with a third party that results in investments by ABMUL or offers certain exclusive rights to such third party;

(ii) Entering into any obligation outside the normal course of business involving payment of amount in excess of rupees one crore;

(iii) Entering into commitments for capital investments or acquisitions exceeding rupees one crore whether through a subsidiary or affiliate or otherwise in a single transaction in any financial year, other than that is approved under the business plan; and / or

(iv) Enter into any joint venture(s) or incorporate any subsidiary.

Further Issue and Transfer of Shares

Our Company shall maintain the aggregate voting and economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by ABMUL) in ABMUL equal to its current voting and economic interest (including its current shareholding in ABMUL on a fully-diluted basis) and ABNL shall at all times retain control in ABMUL. Also, our Company shall maintain all its interests free of all liens or other encumbrances or rights of third parties.

Subject to the restrictions on transfer under the ABMUL Shareholders' Agreement, our Company shall not transfer any equity securities of ABMUL unless, following such transfer, our Company shall remain in compliance with the ownership and share retention provision under the ABMUL Shareholders' Agreement. It is agreed that inter-se transfer of any equity securities of ABMUL between our Company and its affiliates is permitted, provided that following such transfer, our Company continues to retain control of ABMUL.

Further, if our Company proposes to transfer any shares or other equity securities in ABMUL which it owns, directly or indirectly, to any other person including, without limitation, to any other shareholder of ABMUL (other than by way of granting a security interest in or a lien on such equity securities in ABMUL), IFC shall have the right to participate in such transfer. Additionally, if IFC proposes to transfer such porting of its equity securities in ABMUL that corresponds to 50% or more of its shareholding in ABMUL at such time on a fully diluted basis, to any person other than Sponsor, it shall first give notice thereof to our Company setting forth the number of transfer shares.

Our Company and ABMUL agree and acknowledge the IFC shall also have the option, to exit through a qualified investment round and in such case qualified investment round shall mean investment through secondary sale in ABMUL.

The ABMUL Shareholders' Agreement binds and benefits the respective successors and assignees of the parties. However, neither our Company nor ABMUL may not assign, transfer or delegate any of its rights or obligations under the ABMUL Shareholders' Agreement unless IFC gives its prior written consent and the assignee or delegatee executes an accession instrument. In addition, ABMUL may not assign, transfer or delegate unless in the case of an assignment by our Company such other shareholder party proposes to assign or delegate such rights or obligations in connection with a transfer of its shares or other equity securities and any such transfer is made in full compliance with applicable Law. Our Company and any other shareholder party shall be deemed to be party to the ABMUL Shareholders' Agreement until it has transferred all of its shares or other equity securities in ABMUL in accordance with the terms of the ABMUL Shareholders' Agreement, and after such transfer, it shall continue to have those rights and obligations which may have accrued prior to such transfer. Additionally, IFC may assign its rights under the ABMUL Shareholders' Agreement to one or more transferees in connection with the transfer of the IFC securities; provided that such assignment will not increase the number of directors that IFC (or its transferee) is entitled to nominate under the ABMUL Shareholders' Agreement.

E. Aditya Birla Health Insurance Co. Limited

1. Joint Venture Agreement dated June 3, 2015 between MMI Strategic Investments (Pty) Limited, ABNL, MMI Holdings Limited and our Company (the "Health JVA")

A joint venture agreement dated June 3, 2015 was executed between MMI Strategic Investments (Pty) Limited ("**MMI**"), ABNL, MMI Holdings Limited ("**MMI Holdings**") and our Company to establish the joint venture company Aditya Birla Health Insurance Co. Limited ("**ABHICL**") for the purpose of conducting health insurance business in India (the "**Health JVA**"). As per the Health JVA, ABHICL had an initial share capital of ₹ 500,000 divided into 50,000 shares of ₹ 10 each.

Under the Health JVA, ABHICL was required to issue and allot to MMI and our Company such number of shares so that the ratio of shareholding in ABHICL of MMI and ABCL shall be 26 : 74. Further, in case MMI subscribes to 49% of the share capital of ABHICL, which is MMI's maximum permissible shareholding as per the Health JVA, in such a case, the shareholding of MMI and ABCL shall be 49% and 51%, respectively.

Under the Health JVA, it is required that ABNL shall procure that (i) our Company remains a direct or indirect subsidiary of ABG; and (ii) ABG entities holding shares of ABHICL do not grant to any third parties or investors any negative control or veto rights, which could have an indirect impact on our Company's or its affiliate to vote.

2. Shareholders' Agreement dated June 3, 2015 between MMI, ABNL, MMI Holdings and our Company (the "Health SHA")

Along with the execution of the Health JVA, MMI, ABNL, MMI Holdings and our Company entered into a shareholders agreement dated June 3, 2015 with respect to ABHICL (the "**Health SHA**").

Governance and Management

The board of directors of ABHICL shall comprise of a maximum of 13 directors, with MMI and our Company entitled to nominate one director for every 12.5% of the share capital in ABHICL held. However, in case the ratio between the shareholding of MMI and our Company is 26:74 – the board shall have two directors nominated by MMI, five by our Company (including the CEO) and four independent directors. In such a case, MMI would have not have the company reserved matter right in relation to appointment, removal, termination and suspension of the CEO.

However, in case the shareholding of MMI increases to maximum shareholding (49%), then three directors shall be nominated by MMI, four by our Company, CEO by our Company and five independent directors. All board meetings shall require a quorum of at least four directors (at least one MMI and our Company's director each). Further, our Company has the right to nominate a non-executive chairman of the board of directors of ABHICL, out of our Company's directors. However, in the event the chairman is not present, then the directors present shall appoint one of our Company's director to be the chairman of the said meeting. Under the Health SHA, a board committee is constituted for the management of ABHICL and the CEO shall only be nominated by our Company.

Our Company's Rights and Obligations

Our Company and its affiliates holding shares in ABHICL shall ensure that they are eligible under the registration regulations as an Indian promoter of ABHICL at all times. Additionally, our Company shall not transfer or sell any shares held by it to the extent that such a transfer or sale adversely affects MMI's ability to own its ownership percentage of shares from time to time or increase its ownership percentage to the maximum extent as permitted under the applicable law and in accordance with the Health SHA.

Our Company is permitted to designate any of its affiliates to fund its relevant proportion of the called capital and subscribe to the funding shares after executing an affiliate deed of adherence and in accordance with the provisions of the Health SHA.

Our Company's Rights and Obligations

In relation to the distribution of the ABHICL's products through our Company's channel, our Company shall cause Aditya Birla Money Insurance Advisory Services Limited (as long as our Company is a shareholder) to enter into an exclusive corporate agency agreement (with respect to health insurance) with ABHICL for the distribution of products. Further, as per the Health SHA, 'Aditya Birla' brand shall be the primary brand of ABHICL and all business of ABHICL shall be conducted in a name and style that gives prominence to the brand 'Aditya Birla'.

Obligations of ABNL

Under the Health JVA, it is required that ABNL shall procure that (i) our Company remains a direct or indirect subsidiary of the Aditya Birla Group; and (ii) Aditya Birla Group entities holding shares of ABHICL do not grant to any third parties or investors any negative control or veto rights, which could have an indirect impact on our Company's or its affiliate to vote.

Transfer of Shares

In case the shareholding pattern of ABHICL is 74 (ABCL) : 26 (MMI) and the parties have to transfer their shareholding in ABHICL to a third party, then, they shall have to mandatorily transfer their entire shareholding to such a third party. Additionally, if our Company proposes to transfer its entire shareholding in ABHICL to a third party, then MMI shall have a tag-along right for its entire shareholding in the company. Additionally, if MMI proposes to transfer its entire shareholding, then our Company has a right to first offer as laid down in the Health SHA.

3. Deed of Adherence dated August 12, 2015 between MMI, ABNL, MMI Holdings and our Company ("ABHICL Deed of Adherence")

In compliance with the terms of the Health JVA, the parties to the Health Agreement and ABHICL had subsequently entered into a company deed of adherence dated August 12, 2015 (the "**ABHICL Deed of Adherence"**). ABHICL under this deed confirmed that it had received a copy of the Health JVA and undertook that the original parties to the Health JVA shall be bound by it in all aspects as if ABHICL was a party to the Health JVA in the first place and the same shall be bound by all applicable provisions of the Health JVA.

4. First Amendment Agreement to the Shareholders Agreement dated June 1, 2016 between MMI, ABNL, MMI Holdings, ABHICL and our Company (the "Health SHA Amendment Agreement")

Pursuant to the Health SHA, ABHICL, MMI, ABNL, MMI Holdings and our Company entered into an amendment agreement dated June 1, 2016 to make certain amendments to the Health SHA in order to ensure compliance with the requirements of being 'Indian owned and controlled' as defined under the insurance laws (the "**Health SHA Amendment Agreement**").

As per the Health SHA Amendment Agreement, all parties shall cause ABHICL to be and shall take all necessary actions to ensure that ABHICL is in compliance with the Indian owned and controlled requirements, till the time they are applicable.

As per the Health SHA Amendment Agreement, all majority of the directors on board of ABHICL (excluding independent directors) shall be nominated by our Company. Additionally, four independent directors which were to be appointed by MMI as per the Health SHA, shall now be appointed on the board of ABHICL based on the nominations received from the nomination and remuneration committee and shall be in accordance with the applicable laws. Further, the five independent directors which were to be appointed by our Company and MMI (three by our Company and two by MMI) as per the Health SHA, shall now be appointed on the board of ABHICL based on the nominations received by the nomination and remuneration committee and shall be in accordance with the applicable laws. The quorum of the board meetings, shall now be atleast five directors with atleast one MMI director and two directors from our Company, unless otherwise agreed in writing by both the parties. However, for the purpose of quorum at all meetings, the number of directors from our Company shall be at least one more than the MMI directors present at the meeting and no company reserved matters shall be discussed or transacted at any first adjourned board meeting unless at least two directors from our Company and one MMI director are present at the commencement of the meeting and throughout the proceedings.

5. Technology License Agreement dated June 10, 2016 between MMI Group Limited, ABHICL, ABNL, MMI, MMI Holdings and our Company (the "Health Technology License Agreement")

The MMI Group Limited ("**MMI Group**"), ABHICL, ABNL, MMI, MMI Holdings and our Company entered into a technology license agreement dated June 10, 2016 (the "**Health Technology License Agreement**") in relation to the use of MMI Group's proprietary software platform, improvements and MMI customizations by ABHICL.

Under the Health Technology License Agreement, MMI Group has granted to ABHICL a non-assignable, non-transferable, non-sublicensable and royalty free license to use the object code of the software platform only in relation to ABHICL's operations and running of the business. In case any third party software is embedded or linked with the software platform or improvements or MMI customisation as provided by the MMI Group, such embedding or using with or linking shall be discussed and agreed with the MMI Group. As per the Health Technology License Agreement, a copy of the source code, improvements and MMI customization shall be deposited with an escrow agent as mutually decided by the parties. All costs in relation to the appointment of the escrow agent and its fee shall be borne by ABHICL and a separate escrow agreement in relation to the same shall be executed. The escrow items shall be released from the escrow account maintained with the escrow agent in case MMI Holdings or its affiliates or representatives cease to be shareholders of ABHICL in accordance with the Health JVA.

All rights, title and interest in and to the source code of the software platform, MMI customization and improvements shall solely and exclusively vest with MMI Group at all times and ABHICL shall not have the right to sell, license, sub-license, share, distribute, convey, transmit, broadcast, make available, disclose, make adaptations or derivatives or deal with the same. In case of any disputes / litigations, all costs and expenses incurred in relation to the proceedings shall be shared equally between ABHICL and MMI Group. Further, the MMI Group and ABHICL shall jointly appoint a technical auditor (independent third party external auditor) to conduct a technical audit every financial year in order to assess the level of compliance in relation to the agreed policies, procedures, etc. adopted by ABHICL.

As per the Health Technology License Agreement, if either MMI Holdings or our Company ceases to be a shareholder of ABHICL (whether by itself or through its affiliates) and if MMI Group or our Company intends to continue the usage of any licensed developed IP outside India after our Company or the MMI Holdings or its respective affiliates ceases to be shareholders of ABHICL, then MMI Holdings or our Company shall be required to obtain a separate perpetual, non-exclusive, non-transferable, non-sublicensable, non-assignable license from MMI Group by paying the due consideration along with the necessary regulatory approvals. The party that ceases to be a shareholder in ABHICL shall pay 100% of the MMI Group IP consideration to the MMI Group immediately prior to the date on which it transfers its entire shareholding of ABHICL.

Upon occurrence of such event as specified under the Health Technology License Agreement, ABHICL shall be granted a license only till such a time that ABG remains a controlling shareholder of ABHICL. ABHICL shall also be entitled to sub license the technology only to its immediately wholly owned subsidiary in the health business and the subsidiary shall not be entitled to further sub license the same. The Health Technology License Agreement shall cease to exist on termination of the other health insurance agreements. Further, in the event entities forming part of the Aditya Birla Group cease to remain shareholders of ABHICL, but members of the MMI Holdings continue to remain the shareholders of ABHICL, then the provisions relating to the Health Technology License Agreement shall remain in full force and effect.

F. Aditya Birla Wellness Private Limited

1. Joint Venture Agreement dated June 3, 2015 between MMI, ABNL, MMI Holdings and our Company ("ABWPL JVA")

A joint venture agreement dated June 3, 2015 (“**ABWPL JVA**”) was executed between MMI, ABNL, MMI Holdings and our Company to establish a joint venture company Aditya Birla Wellness Private Limited (“**ABWPL**”), limited by shares, for the purposes of conducting the business of providing incentivized wellness and related services to the Health JVA and / or the customers of the Health JVA in India. As per the ABWPL JVA, ABWPL had an initial share capital of ₹ 500,000 divided into 50,000 shares of ₹ 10 each.

As per ABWPL JVA, the percentage shareholding of our Company and MMI in the ABWPL on completion day of the ABWPL JVA mirrored the percentage shareholding of our Company and MMI in the Health JVA on its completion day. Further, the ABWPL JVA shall automatically terminate if ABWPL is not granted the certificate of registration in accordance with the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000 within 24 months of the completion of the ABWPL JVA. As a part of the ABWPL JVA, MMI shall provide its expertise to ABWPL in developing its business (including service design and development and information technology). Our Company shall also contribute in brand development, provide networks (including relationships and discounts with clinics, hospitals and labs), customer insights, marketing, finance, investment and compliance.

Governance and Management

The board of directors of ABWPL shall comprise of a maximum of 13 directors, with MMI and our Company entitled to nominate one director for every 12.5% of the share capital in ABWPL held. However, in case the ratio between the shareholding of MMI and our Company is 26:74, the board shall have two directors by MMI, five by our Company (including the CEO) and four independent directors. However, in case the shareholding of MMI increases to maximum shareholding (49%), then three directors shall be nominated by MMI, four by our Company(including the CEO) and five independent directors. Further, our Company has the right to nominate a non-execution chairman of the board. All board meetings shall require a quorum of at least four directors (at least one MMI and our Company’s director each). The chairman shall be the chairman of all general meetings. However, in the event the chairman is not present, then the directors present shall appoint one of our Company’s director to be the chairman of the said meeting.

Further, MMI shall be authorized to nominate a head of multiply to bring appropriate expertise and best practices in the incentivized wellness sector in ABWPL. In case the shareholding ration between MMI and our Company is 26:74, then our Company shall not have a company reserved matter right with respect to the appointment of the head of multiply. However, if the ratio becomes 49:51, our Company shall have a company reserved matter right for appointment of the head of multiply.

Capital Call

In case of the need for additional capital, CEO (in his absence our Company’s director) shall give the board a written notification regarding additional capital requirements. Under the ABWPL JVA, our Company is permitted to designate any of our Company’s affiliate to fund its relevant proportion of the called capital and subscribe to the funding shares, subject to which our Company’s affiliate shall execute an affiliate deed of adherence. Additionally, the same conditions shall apply to MMI. Further, in the event our Company or our Company’s affiliate transfers any shares to any of its affiliates, all the rights under the ABWPL JVA (or otherwise) available to our Company shall be exercised by our Company and such affiliate jointly, as our Company’s affiliate block. Both the companies shall jointly nominate one amongst themselves to represent them in relation to their interactions with ABWPL and MMI. However, in the event no such nomination is made, our Company shall represent both our Company and the affiliate company.

Transfer of Shares

In case our Company wants to transfer any of the shares of ABWPL, it cannot transfer less than all of the shares that are held by it, to a third party. However, our Company shall be entitled to transfer the same percentage of shares in the Health JVA simultaneously, to the same third party transferee. This shall be subject to the condition that our Company’s shareholding shall be at least 51% in the aggregate of the share capital immediately following such transfer and MMI not having increased its shareholding in ABWPL to the maximum shareholding (ie. 49%). In the event our Company proposes to transfer its entire shareholding in ABWPL to a third party, then MMI shall be entitled to exercise tag-along rights for its entire shareholding in ABWPL as set out under the ABWPL JVA. However, in the event MMI proposes to transfer its entire shareholding in ABWPL to a third party, our Company shall be entitled to a right of first offer as set out under the relevant provisions of the ABWPL JVA. The above conditions shall however be not applicable to any issuance or transfer of shares for the purpose of creating an employees' stock option pool or any issue or transfer of shares pursuant to an IPO.

Obligations of ABNL

Under the ABWPL JVA, it is required that ABNL shall procure that (i) our Company remains a direct or indirect subsidiary of the Aditya Birla Group; and (ii) Aditya Birla Group entities holding shares of ABWPL do not grant to any third parties or investors any negative control or veto rights, which could have an indirect impact on our Company's or its affiliate to vote.

2. Technology License Agreement dated November 24, 2016 between MMI Group, ABWPL, ABNL, MMI, MMI Holdings and our Company (the "Wellness Technology License Agreement")

The MMI Group ABWPL, ABNL, MMI, MMI Holdings and our Company entered into a technology license agreement dated November 24, 2016 (the "**Wellness Technology License Agreement**") in relation to the use of MMI Group's proprietary software platform, improvements and MMI customizations by ABWPL.

Under the Wellness Technology License Agreement, MMI Group has granted to ABWPL a non-assignable, non-transferable, non-sublicensable and royalty free license to use the object code of the software platform only in relation to ABWPL's operations and running of the business. In case any third party software is embedded or linked with the software platform or improvements or MMI customisation as provided by the MMI Group, such embedding or using with or linking shall be discussed and agreed with the MMI Group. As per the Wellness Technology License Agreement, a copy of the source code, improvements and MMI customization shall be deposited with an escrow agent as mutually decided by the parties. All costs in relation to the appointment of the escrow agent and its fee shall be borne by ABWPL and a separate escrow agreement with the escrow agent in relation to the same shall be executed. The escrow items shall be released from the escrow account maintained with the escrow agent in case MMI Holdings or its affiliates or representatives cease to be shareholders of ABWPL in accordance with the Wellness JVA.

All rights, title and interest in and to the source code of the software platform, MMI customization and improvements shall solely and exclusively vest with the MMI Group at all times and ABWPL shall not sell, license, sub-license, share, distribute, convey, transmit, broadcast, make available, disclose, make adaptations or derivatives or deal with the same. In case of any disputes / litigations, all costs and expenses incurred in relation to the proceedings shall be shared equally by both ABWPL and MMI Group. Further, the MMI Group and ABWPL shall jointly appoint a technical auditor (independent third party external auditor) to conduct a technical audit every financial year in order to assess the level of compliance in relation to the agreed policies, procedures, etc. adopted by ABWPL.

As per the Wellness Technology License Agreement, if our Company or MMI Holdings ceases to be a shareholder of ABWPL (whether by itself or through its affiliates) and if MMI Group or our Company intends to continue the usage of any licensed developed IP outside India after our Company or MMI Holdings or its respective affiliates ceases to be shareholders of ABWPL, then MMI Holdings or our Company shall be required to obtain a separate perpetual, non-exclusive, non-transferable, non-sublicensable, non-assignable license from MMI Group by paying the due consideration along with the necessary regulatory approvals. The party that ceases to be a shareholder in ABWPL shall pay 100% of the MMI Group IP consideration to the MMI Group immediately prior to the date on which it transfers its entire shareholding of ABWPL.

Upon occurrence of the release event, ABWPL shall be granted a license only till such a time that Aditya Birla Group remains a controlling shareholder of ABWPL. ABWPL shall also be entitled to sub license the technology only to its immediately wholly owned subsidiary in the health or wellness business and the subsidiary shall not be entitled to further sub license the same. The Wellness Technology License Agreement shall cease to exist on termination or expiration of the Wellness JVA. Further, in the event entities forming part of the ABG cease to remain shareholders of ABWPL, but members of the MMI Holdings continue to remain the shareholders of ABWPL, then the provisions relating to the Wellness Technology License Agreement shall remain in full force and effect.

Strategic Partners

- Sun Life Financial Inc., through its subsidiary Sun Life Insurance, is our strategic partner for our Subsidiary ABSLI and, through Sun Life AMC, is our strategic partner for our Subsidiary ABSLAMC.

- MMI Holdings, through its subsidiary MMI, is our strategic partner for our Subsidiaries ABHICL and ABWPL.

OUR MANAGEMENT

As per our Articles of Association, our Company is required to have not less than three and not more than 15 Directors. As on the date of this Information Memorandum, our Company has four Directors out of which two are Independent Directors.

The following table sets forth details of our Board of Directors as on the date of this Information Memorandum:

Name, Designation, Address, Nationality, Term and DIN	Age (in years)	Other Directorships/Partnerships
Arun Adhikari ***Designation:*** Independent Director ***Address:*** 903, A Wing, 9th Floor, Vivarea Sane Guruji Marg, Mahalaxmi East, Mumbai- 400 011 ***Nationality:*** Indian ***Term:*** Five years with effect from June 26, 2017 ***DIN:*** 00591057	63	***Other Directorships*** 1. Aditya Birla Retail Limited 2. Viacom 18 Media Private Limited 3. Ultratech Cement Limited 4. Voltas Limited
Mrs. Pinky Mehta ***Designation:*** Whole-time Director and Chief Financial Officer ***Address:*** 602, Shree Vishwas CHSL, 6th Floor, Sir P M Road, Near Kunku Wadi, Hanuman Temple, Vile Parle (East), Mumbai – 400 057 ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN:*** 00020429	50	***Other Directorships*** 1. RKN Retail Private Limited 2. Aditya Birla Money Limited 3. Aditya Birla Renewables Limited 4. Aditya Birla Solar Limited 5. Aditya Birla Sun Life Insurance Company Limited 6. Aditya Birla Renewables SPV1 Limited
Puranam Hayagreeva Ravikumar ***Designation:*** Independent Director ***Address:*** 501, Yashowan Towers, Behind Mahim Post Office, T. H. Kataria Marg, Mahim – West, Mumbai- 400 016 ***Nationality:*** Indian ***Term:*** Five years with effect from June 26, 2017 ***DIN:*** 00280010	65	***Other Directorships*** 1. Aditya Birla PE Advisors Private Limited 2. UTI Retirement Solutions Limited 3. Mya Health Credit Private Limited 4. Namu Eco Alternatives India Private Limited 5. Dotex International Limited 6. Vastu Housing Finance Corporation Limited 7. Escorts Limited 8. I G Petrochemicals Limited 9. Bharat Forge Ltd 10. LTC Commercial Co Pvt Ltd 11. Bharat Financial Inclusion Limited 12. UTPL Corporate Trustees Private Limited 13. Young Asset Reconstruction Private Limited
Shriram Jagetiya ***Designation:*** Non-Executive Director ***Address:*** 302, Prathamesh Pooja, TPS Road,	48	***Other Directorships*** 1. Aditya Birla Trustee Company Private Limited 2. ABG Realty and Infrastructure Company

Name, Designation, Address, Nationality, Term and DIN	Age (in years)	Other Directorships/Partnerships
Near Shimpoli Ganapati Temple, Borivali (West), Mumbai – 400 092 ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN:*** 01638250		Private Limited 3. ABCAP Trustee Company Private Limited 4. Birla Family Investments Private Limited 5. Shaktiman Mega Food Park Private Limited 6. Aditya Birla Money Limited 7. Aditya Birla Commodities Broking Limited 8. ABNL Investment Limited
Subhash Chandra Bhargava ***Designation:*** Independent Director ***Address:*** 1305, Dosti Aster (Dosti Acres), New Uphill Link Road, Antop Hill, Wadala (East), Mumbai 400 037 ***Nationality:*** Indian ***Term:*** Five years with effect from September 1, 2016 ***DIN:*** 00020021	71	***Other Directorships*** 1. CFM Asset Reconstruction Private Limited 2. Strugence Trustee Private Limited 3. Cox & Kings Limited 4. Industrial Investment Trust Limited 5. A K Capital Services Limited 6. NBS International Limited 7. Mahindra Trucks and Buses Limited 8. Aditya Birla Sun Life Pension Management Limited 9. Aditya Birla MyUniverse Limited 10. OTCEI
Mrs. Vijayalakshmi Rajaram Iyer ***Designation:*** Independent Director ***Address:*** Flat no 1402, Barberry Towers, Nahar Amritshakti, Chandivili, Adheri (East), Mumbai—400 072 ***Nationality:*** Indian ***Term:*** Five years with effect from June 26, 2017 ***DIN:*** 05242960	62	***Other Directorships*** 1. SRT Ascendancy Solutions Private Limited 2. Jammu and Kashmir Bank Limited 3. JRG Fincorp Limited

Relationship between our Directors

None of our Directors are related to each other.

Brief Biographies of Directors

Arun Adhikari is an Independent Director of our Company. He graduated with a Bachelor of Technology degree in Chemical Engineering from the Indian Institute of Technology, Kanpur in 1975. He went on to do his Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He started working at Hindustan Unilever Limited from 1977 and went on to hold a number of senior positions in the fields of sales, marketing and general management. After being the Executive Director (Personal Care) at Hindustan Unilever Limited in 2000, he was appointed as the Managing Director for Home and Personal Care in 2004 and joined the board of directors of Hindustan Unilever Limited where he was involved in external relationships with the Government and media, investor relations, risk management, and corporate governance. From 2000 to 2006, he was also a member of the executive and governing bodies of several industry, trade and professional associations in India including the Market Research Society of India, Indian Soaps and Toiletries Manufacturers Association, Indian Society of Advertisers and the Advertising Standards Council of India. He was appointed as the Chairman of Unilever Japan KK in 2006 and was based in Tokyo for three years. In 2009 he was appointed as the Senior Vice-President for Unilever Laundry Category across Asia and Africa where his key responsibilities included development of category and brand strategy, brand portfolio decisions, supply chain strategy, pricing strategy, product innovation and advertising development. After retiring from Unilever in 2014, he joined McKinsey & Company in India as a Senior Advisor supporting the consumer practice and started working extensively with McKinsey& Company's clients across a wide range of sectors, advising on marketing and sales strategy. He is also an Independent Director on the boards of UltraTech Cement Ltd, Aditya Birla Retail Ltd, Viacom 18 Media Pvt Ltd and Voltas Ltd.

Pinky Mehta is the Chief Financial Officer of our Company and is an Executive Director on our Board. She is a qualified chartered accountant with 27 years of diversified experience and holds a bachelor's degree in commerce with the distinction of first class. She has been a part of the Aditya Birla Group since 1991 and was its first woman officer. She was a key member of the finance team at ABNL and handled a number of portfolios including taxation, MIS, accounts, legal and secretarial. She spearheaded the management services division of the Aditya Birla Group from 2011 to 2015 and helped expand its services to new businesses overseas. She has played a significant role in the area of demergers, mergers and acquisition for the Aditya Birla Group and was actively involved in the demerger of the cement business, the joint venture with the Sun Life Group for the life insurance business and acquisitions of Madura Garments Lifestyle Retail Company Limited, Transworks Information Services Limited, Minacs Worldwide Inc. and Apollo Sindhoori Capital Investments Limited. Prior to joining our Company, she was the Chief Financial Officer of ABNL where she was instrumental in the demerger of Madura Garments Lifestyle Retail Company Limited from Pantaloons Fashion & Retail Limited and the merger of ABNL with Grasim. She has received the CA CFO – Woman Award by the Institute of Chartered Accountants of India 2016, the 'Chairman's Award for Exceptional Contributor' in 2008 and the 'Chairman's Award for Accomplished Leader' in 2016.

Puranam Hayagreeva Ravikumar is an Independent Director of our Company. He is a commerce graduate, a certified associate of Indian Institute of Bankers, India and of Chartered Institute of Bankers, London; further he is also an 'Honorary Fellow' of The Chartered Institute for Securities & Investment, UK. He has over 46 years of professional experience in the banking and finance sector including 22 years of service at the Bank of India and 12 years at ICICI Bank. He has been the founding MD & CEO of NCDEX Ltd. for five years and also the founding MD & CEO for four years with Invent Assets Securitisation and Reconstruction Private Limited. He is currently the Chairperson of Bharat Financial Incusion Limited (formerly known as SKS Microfinance Limited) for the past five years and is also the Non Independent of Vastu Housing Finance Corporation a home finance company, which focuses on affordable housing for the middle and the low income groups.

Shriram Jagetiya is a Non-Executive Director of our Company. He is a certified chartered accountant and cost accountant and is the President of ABNL. He has been working with the Aditya Birla Group since 1992 and has played a key role in fund mobilization, investments, evaluation of various mergers and acquisitions, strategic planning and capital structuring in various capacities within the Aditya Birla Group. At ABNL, he heads the finance and treasury functions and oversees the financial services businesses of the Aditya Birla Group. He specializes in finance, investments, merger and acquisitions, business reviews. At financial services businesses, he has been an integral part of development of corporate strategies and performance enhancement initiatives, business expansion, joint ventures with Sun Life Group and MMI and mergers and acquisitions across various businesses. He has played a significant role in some key mergers and acquisitions including acquisitions of the Columbian carbon business, Madura Garments, Transworks Information Services Limited and mutual fund schemes of Alliance Mutual Fund, ING Mutual Fund, Divestment of Minacs IT-ITES business, and the merger of Birla Global with ABNL, ABNL with Grasim and the subsequent demerger of the financial services business to our Company. In recognition of his contribution to the Aditya Birla Group, he was accredited with the 'Chairman's Exceptional Contributor' award in 2011.

Subhash Chandra Bhargava is an Independent Director of our Company and has been a fellow member of the Institute of Chartered Accountants of India since 1967. He has attended various programmes in the field of finance at well known institutes both in India and abroad such as 'Managing Growth in Financial Services' at the Manchester Business School, UK and 'Advance Financial Management Programme' at the Indian Institute of Management, Ahmedabad. He has worked in the banking and finance sector. He retired from the Life Insurance Corporation of India as Executive Director (Investment) in 2005 where he worked in a diverse number of fields including corporate finance, dealing in equity, debt and Government securities and project finance. In 2004, he was nominated to the Technical Advisory Committee on Monetary Policy of the RBI and was associated with the same till 2005. Post retirement from the Life Insurance Corporation of India, he worked at the Bank of Rajasthan in the capacity of an advisor in treasury management from 2005 to 2010. He has been on the boards of directors of large financial sector companies such as UTI Asset Management Co Limited, Bank of Maharashtra and Escorts Limited. He was also retained by IL&FS Investment Managers Limited from July 2005 to March 2016.

Vijayalakshmi Rajaram Iyer is an Independent Director of our Company. She graduated from M.L. Dahanukar College of Commerce and did her post graduation from Sydenham College of Commerce Mumbai. She is also a certified associate of the Indian Institute of Banking and Finance. She has nearly four decades of experience in the banking and finance sector in India. She has served as the chairperson for a number of boards and committees in the financial sector in India including the Banking and Financial Institute Committee of the Federation of Indian Chambers of Commerce and

Industry. She retired as the Chairman and Managing Director of Bank of India in May 2015 where she played an instrumental role in structuring it as an umbrella institution offering all kinds of banking and financial services. Under her leadership, Bank of India received the 'Best PSU Bank' award for overall growth in performance from Dun & Bradstreet and was recognised as the 'Second Most Trusted Brand among the PSU Banks' by the Economic Times. She also served as member (finance & investment) at IRDAI from 2015 to 2017 where she played a significant role in the introduction and amendment of various regulations related to, *inter alia*, finance and accounts, corporate governance, mergers and acquisition, registration of new insurance companies and expenses of management. In her role as member (finance & investment) at IRDAI, her contributions in the field of redefining the regulations and issues related to the Financial Stability Board, the Financial Stability Development Council, the RBI, SEBI and other national and international agencies were significant.

Shareholding of Directors in our Company

None of our Directors hold any Equity Shares in the Company except as set forth in the table below:

Name of Director	Designation	Number of Equity Shares Held
Mr. Arun Adhikari	Independent Director	0
Mr. Puranam H Ravikumar	Independent Director	407
Mr. S C Bhargava	Independent Director	0
Mrs. Vijayalakshmi Rajaram Iyer	Independent Director	0
Mrs. Pinky Atul Mehta	Whole Time Director and CFO	14,702
Mr. Shriram Jagetiya	Non-executive Director	16,635

Our Articles of Association do not require our Directors to hold any qualification shares.

Changes in our Board in the last three years

Name	Date of appointment/ change/ cessation	Reason
Rajesh Shah	October 27, 2014	Appointed as a Director
Durga Prasad Rathi	March 31, 2015	Appointed as an Independent Director
Vijay Chandragupta Kothari	March 31, 2015	Appointed as an Independent Director
Pinky Mehta	March 31, 2015	Appointed as a Director
Anil Chirania	May 13, 2015	Re-appointed as Director on retirement
Anil Chirania	August 8, 2015	Resigned as a Director
Rajesh Shah	September 15, 2015	Resigned as a Director
Pinky Mehta	May 11, 2016	Re-appointed as a Director on retirement
Subhash Chandra Bhargava	September 1, 2016	Appointed as an Additional (Independent) Director
Vijay Chandragupta Kothari	November 5, 2016	Demise
Durga Prasad Rathi	June 23, 2017	Resigned as an Independent Director
Arun Adhikari	June 26, 2017	Appointed as an Additional (Independent) Director
Puranam Hayagreeva Ravikumar	June 26, 2017	Appointed as an Additional (Independent) Director
Vijayalakshmi Rajaram Iyer	June 26, 2017	Appointed as an Additional (Independent) Director

Borrowing Powers of Board

Our Articles, subject to the provisions of the Companies Act, authorize our Board, at its discretion, to generally raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Our Board has been authorized to borrow money from banks, financial institutions or any other lending institutions or persons or such other corporates or entities as the Board may deem fit, notwithstanding that the money to be borrowed, together with the money already borrowed by our Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from our Company's bankers in the ordinary course of business, up to a limit not exceeding in the aggregate ₹10,000,000,000.

Corporate Governance

The provisions of the SEBI Listing Regulations and the Equity Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. In respect of corporate governance, we are in compliance with the requirements of the applicable laws including the SEBI Listing Regulations, the Equity Listing Agreement with the Stock Exchanges, the Companies Act, and the rules made thereunder. The corporate governance framework of our Company is based on an effective and independent Board, separation of the Board's supervisory role from the executive management team, and constitution of the Board Committees, as required under applicable laws.

Our Board has been constituted in compliance with the SEBI Listing Regulations, the Companies Act and the Equity Listing Agreement. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has six Directors. In compliance with the requirements of the SEBI Listing Regulations, we have two Non-Executive Non-Independent Directors and four Non- Executive Independent Directors, on our Board. With effect from July 1, 2017, we shall have one Executive Director, one Non-Executive Non-Independent Directors and four Non- Executive Independent Directors, on our Board.

Committees of the Board

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 our Audit Committee are:

Name of the Member	Status	Date of Appointment
Mrs. Vijayalakshmi Rajaram Iyer	Chairman	June 26, 2017
Puranam Hayagreeva Ravikumar	Member	June 26, 2017
Shriram Jagetiya	Member	March 25, 2010

The scope and function of our Audit Committee is in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference include the following:

Objectives:

The primary objective of our Audit Committee shall be to oversee and provide effective supervision of our management's financial reporting process with a view to ensure accurate and proper disclosures, with the highest levels of transparency, integrity and quality of financial reporting. It shall advise, guide and suggest measures to add value and improve the organisation's operations, robust internal audit system, and strengthening governance processes. It shall give directions to our management in the areas that need to be strengthened.

Our Audit Committee shall, while acting as a catalyst in helping the organization to achieve its objectives, also assist the board of directors in overseeing and reviewing:

- work carried out in the financial reporting process by our management, our internal auditor(s) and the statutory auditor(s) and processes and safeguards employed by them;
- audit(s) of our Company's financial statements, appointment(s), independence and performance of our internal and statutory auditors;
- quality and integrity of the accounting, internal and external auditing and reporting practices of our Company and adequacy and reliability of the internal control system;
- Monitor and review the risk management plan and review the risk assessment process;
- overall compliance by our Company with the legal and regulatory requirements;
- any other area that our Board may mandate or direct our Audit Committee to take up; and
- transactions with related parties including omnibus approval.

Roles and Responsibilities:

Review of Financial Statements:

- To oversee our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement(s) are correct, sufficient and credible.

- Review with our management:

    - The annual financial statements and the Auditors' Report thereon before submission to the Board for approval, with particular reference to

        - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;

        - Changes, if any, in accounting policies and practices and reasons for the same;

        - Major accounting entries involving estimates based on the exercise of judgment by management;

        - Significant adjustments made in the financial statements arising out of audit findings;

        - Compliance with listing and other legal requirements relating to financial statements;

        - Disclosure of any related party transactions and all related party transactions shall require prior approval of the Audit Committee;

        - Modified opinion(s) in the draft audit report;

    - Quarterly financial statements before submission to the Board for approval including:

        i. Financial performance of the Company for the period under review including variance analysis with the plan and previous periods and IGAAP or Ind AS related adjustments, if any;

        ii. Analysis of capital expenditure and working capital management for the period under review;

    - Management discussion and analysis of financial condition and results of operations;

    - Annual operating budgets and CAPEX budget;

    - Approval or any subsequent modification of transactions of the Company with related parties;

    - Scrutiny of inter-corporate loans and investments;

    - Statement of significant related party transactions, submitted by management;

    - Disclosure of contingent liabilities;

    - Valuation of undertaking or assets of the Company, wherever it is necessary;

    - Where a valuation is required to be made in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a company or its liabilities under the provisions of the Companies Act, it shall be valued by a person having such qualification and experience and registered as valuer in such manner, on such terms and condition as may be prescribed and appointment by the Audit Committee;

    - Management letters or letters of internal control weaknesses issued by the Statutory Auditors;

    - Review of CFO/CEO Certificates certifying that the financial statements are prepared in accordance with Uniform Accounting Policies, Accounting Standards, Provisions of the Companies Act;

    - Statement of use/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

  - On an annual basis, review the statement of funds utilized by the Company for purposes other than those stated in the offer document, prospectus or notice. Where the company has appointed a monitoring agency to monitor the utilisation of proceeds of a public or rights issue, review the monitoring report of such appointed agency;

  - Half -yearly performance update;

  - Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;

  - Statement of deviations:

    - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

    - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Related Party Transactions:

- All related party transactions shall require prior approval of the Audit Committee;

- The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company subject to the following conditions, namely:

  - The criteria for granting the omnibus approval shall be specified which shall be in line with the Company's policy on related party transactions and such approval shall be the based on the factors namely repetitiveness of the transactions (in past or in future) and the justification for the need of omnibus approval;

  - The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company;

  - Such omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

- The omnibus approval shall specify:

  - the name(s) of the related party, nature of transaction, period of transaction, maximum value of transactions that shall be entered into and the value of transactions, in aggregate, which can be allowed under the omnibus route in a year;

  - the extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;

  - the indicative base price or current contracted price and the formula for variation in the price if any; and

  - such other conditions as the Audit Committee may deem fit.

  Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 10 million per transaction;

- The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

- Such omnibus approvals shall be valid for a period not exceeding one financial year and shall require fresh approvals after the expiry of such financial year:

  However such prior and omnibus approval shall not be required in case of the transactions entered into between the company and its wholly owned subsidiary / subsidiaries whose accounts are consolidated with the company and placed before the shareholders at the General Meeting for approval.

External Audit:

- To recommend
  - the appointment, re-appointment , terms of appointment and, if required, the replacement or removal of the statutory auditor and recommend the audit fees of the statutory and cost auditors to our Board;
  - the appointment and remuneration of the cost auditors and also to ensure that the cost auditors are not disqualified at the time of their appointment or during their tenure;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Conduct pre-audit discussions with the statutory auditor(s) about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Approve engagement and payment to statutory auditors or connected entities or firms of statutory auditor for any other services rendered by them to the Company or its Subsidiaries;
- Review with external auditor, any audit problems or difficulties and management's response;
- Review and monitor the auditors' independence and performance and effectiveness of audit process;
- Resolve any disagreements of the external auditor with the management's response;
- Any qualification in the Auditor's report and management response thereto;
- Review with the external auditors, certain information relating to the auditors' judgments about the quality, not just the acceptability , of the Company's accounting principles as applied to its financial reporting and discussion would generally include:
  - such matters as the consistency of the application of the Company's accounting policies, and the clarity and completeness of the Company's financial statements , which include related disclosures;
  - such items that have a significant impact on the authenticity, accuracy, fairness and neutrality of the accounting information included in the financial statements.

Internal Audit:

- Review on a regular basis the adequacy of internal audit function, including the internal audit charter, the structure of the internal audit department, staffing and seniority of the official heading the department, approval of the audit plan and its execution, reporting structure, coverage and frequency of the internal audit;
- Review the regular internal reports to management prepared by the internal audit department as well as management response thereto;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the matter to the Board;
- Review internal audit reports relating to internal control weaknesses;
- Review with the management, external and internal auditors, and the adequacy of internal control systems including computerized information system, controls and security and ensure adherence thereto;
- Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

- Evaluation of internal financial controls and risk management systems;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Performance of internal auditors.

Subsidiary Companies:

- Review the financial statements of the subsidiary companies in general and the material subsidiary Company, in particular;
- Review of investments made by the unlisted subsidiary companies.

Compliances:

- Review the effectiveness of the system for monitoring compliance with laws and regulations;
- To look 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;
- Review :
    - Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the company's financial statements or accounting policies.
    - Any material default in financial obligations by the Company.
    - Any significant or important matters affecting the business of the Company.

Nomination, Remuneration and Compensation Committee

The members of our Nomination, Remuneration and Compensation Committee are:

Name of the member	Status	Date of Appointment
Arun Adhikari	Chairman	June 26, 2017
Subhash Chandra Bhargava	Member	November 8, 2016
Shriram Jagetiya	Member	March 31, 2015

The scope and function of our Nomination, Remuneration and Compensation Committee is in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference of our Nomination, Remuneration and Compensation Committee include the following:

Purpose

Formulating and recommending to the Board:

- Our Company's policies relating to the remuneration of the directors, key managerial personnel and other employees; and
- Criteria for determining the qualifications, positive attributes and independence of current and proposed directors.

Roles and Responsibilities

The primary responsibilities of our Nomination, Remuneration and Compensation Committee are set forth below:

- Executive remuneration:
    - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior managers of the quality required to run our Company successfully;

- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- The remuneration provided to directors and senior managers includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.

- Executive talent:

  - Formulate appropriate policies and institute processes which enable the identification of individuals who are qualified to become directors and who may be appointed in senior management and recommend to our Board their appointment and removal from time to time;

  - Review and implement succession and development plans for managing director, executive directors and senior managers;

  - Devise a policy on our Board's diversity; and

  - Formulate the criteria for determining qualifications, positive attributes and independence of directors.

- Board performance and rewards:
  - Establish evaluation criteria and conduct the process of performance evaluation of each director in a structured manner;

  - Establish evaluation criteria of our Board its committees; and

  - Review and make recommendations to our Board with respect to any incentive-based compensation and equity-based plans that are subject to approval of our Board or our shareholders (including broad-based plans).

- Disclosures:

  - Our Nomination, Remuneration and Compensation Committee shall review and discuss with management the disclosures required to be included in the Directors' report, as specified in the Companies Act and the rules framed there under.

Corporate Social Responsibility Committee

The members of our Corporate Social Responsibility Committee are:

Name of the member	Status	Date of Appointment
Arun Adhikari	Chairman	June 26, 2017
Subhash Chandra Bhargava	Member	June 26, 2017
Puranam Hayagreeva Ravikumar	Member	June 26, 2017
Dr. (Mrs.)Pragnya Ram	Permanent invitee	March 31, 2015
Mrs. Rajashree Birla	Permanent invitee	March 31, 2015

The scope and function of our Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act. The terms of reference of our Corporate Social Responsibility Committee include the following:

- To formulate and recommend to our Board, a Corporate Social Responsibility ("**CSR**") policy which shall indicate the activities to be undertaken by our Company as per the Companies Act;

- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by our Company under the CSR Policy;

- To monitor the CSR policy of our Company from time to time;

- Ensure adherence to the applicable provisions of the Companies Act and the rules made there under;

- Carrying out any other function as specified SEBI Listing Regulations, as amended; and

- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by our Corporate Social Responsibility Committee and as delegated by our Board to it, from time to time.

Stakeholders Relationship Committee

The members of our Stakeholders Relationship Committee are:

Name of the member	Status	Date of Appointment
Mrs. Vijayalakshmi Rajaram Iyer	Chairperson	June 26, 2017
Mrs. Pinky Mehta	Member	June 26, 2017
Shriram Jagetiya	Member	June 26, 2017

The scope and function of our Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The terms of reference of our Stakeholders Relationship Committee include the following:

- To consider and resolve stakeholders and investors grievances;

- It shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

- To approve allotment of shares, debentures and other securities as per the authority conferred to the Stakeholders Relationship Committee by the Board of Directors, from time to time:

    - To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name/address etc. in respect of shares, debentures and securities, which are above 2,500 in numbers in each individual case per transfer deed/per application received by the Company;

    - To authorize the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name etc. of shares, debentures and securities, up to 1000 in numbers in each individual case per transfer deed/per application received by the Company;

- To review or address the complaints received by the Company from investors, SEBI, the Stock Exchanges, Ministry of Corporate Affairs, etc. and the action taken for redressal of the same and to suggest resolution of long pending complaints;

- To approve and ratify the action taken by the authorized officers of the Company in compliance investors for issues of duplicate/replacement/consolidation/sub-division and other purposes for the shares, debentures and securities of the Company;

- To monitor and expedite the status and process of dematerialsation and dematerialization of shares, debentures and securities of the Company;

- To give directions for monitoring the stock of blank stationery and for printing of stationery required by the secretarial department of the Company, from time to time, for issuance of share certificates, debenture certificates, allotment letters, warrants, pay orders, cheques and other related stationary;

- To review the status of unpaid dividend and undelivered share certificates and measures taken by the Company to resolve or reduce them;

- To ensure compliance of transfer of unpaid dividend to IEPF on or before due date;

- To authorize officers of the Company to operate the Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited), Unclaimed Suspense Account and to monitor the progress of release and clearance of the shares;

- To monitor the progress of release of unpaid dividend and process of dissemination of these records in accordance with the prescribed guidelines, rules and regulations;

- To review the results of any investigation or audit conducted by any statutory authority.

Compliances:

- Review the effectiveness of the system for monitoring compliance with laws and regulations.
- Review the mechanism of handling investor's complaints and the status of any pending complaints which remain unresolved or unattended.
- Any significant or important matters affecting the interest of the Company.

Finance Committee

The members of our Finance Committee are:

Name of the member	Status	Date of Appointment
Puranam Hayagreeva Ravikumar	Chairman	June 26, 2017
Mrs. Pinky Mehta	Member	June 26, 2017
Shriram Jagetiya	Member	June 26, 2017

Our Finance Committee shall oversee and provide effective supervision of management for finance matters of the Company with a view to ensure proper mix of various financing instruments, secured and unsecured borrowings, optimum borrowing cost and to keep the financial ratios of the Company at an optimum level keeping in view the short-term and long term requirements as well as plans of the Company. It shall advise, guide and suggest measures to add value and improve the financial structure, methods and means to raise resources, optimum level of gearing, frame guidelines on borrowings and interest rate hedging. It shall also provide directions to the management in the areas that need to be strengthened. The terms of reference of our Finance Committee include the following:

Authorities and powers of the Finance Committee shall be including but not limited to the following:

- To borrow monies and/or avail of financial facilities for the business of the company by way of loans, advances, deposits, deferred payment credits, guarantees, letters of credit and/or any other nature of credit or financial facilities from:
  - Any one or more of the public financial institutions, specified under the Companies Act or from any other financial or investment institutions participating in one or more of the credit scheme or from any other financial or India or overseas engaged in the business of providing loans, advances or other credit or financial facilities whatsoever;
  - Any commercial bank.

    Provided that during the interval of any two consecutive meeting of the board of directors of the company, the aggregate amount of such facilities from any one of the aforesaid institutions, banks or entities shall not, however, exceed a sum of ₹10,000 million;
- To pre-pay the loans, advances, deposits availed from any bank, financial or investment institution, mutual fund or body corporate on such terms as may be deemed fit;
- To borrow and/or avail working capital facilities from commercial banks as under:
  - Cash credit facilities;
  - Other similar working capital facilities or borrowing;

    Provided that during the interval of any two consecutive meetings of the board of directors of the company the total aggregate amount so borrowed from any one bank shall however not exceed ₹5,000 million;
- To avail non-fund based limits for;
  - Deferred payment credit guarantees;

- Other guarantees;
- Letters of credit; and
- Other non-fund based limits;

  Provided that during the interval of two consecutive meeting of the board of directors of the Company the total facilities availed against each category shall not at any time exceed ₹500 million.

- To avail any other short term loans, advances, overdraft or note loan facility from any bank, financial or investment institution, mutual fund or body corporate with or by a negative lien on company's investments or by a negative lien on company's investments or otherwise;

  Provided that during the interval of any two consecutive meetings of the board of directors of the company, the total aggregate amount so borrowed from the banks, financial institutions or investment institutions or mutual funds or bodies corporate shall not exceed ₹10,000 million.

- To authorize any person whether jointly or singly with any other person to open, operate, and or otherwise close any account with any bank including to authorize such person or make modifications in the authorized person, as aforesaid to place, deposit, overdraw as also to draw or endorse and or deposit any cheques, bills of exchange, promissory notes and to any such bank as may be authorized by the committee from time and to withdraw, cancel, revoke, modify or alter any such powers whether given by the committee or by the board from time to time.

- To authorize execution of various deeds, documents, agreements, promissory notes or other papers including security documents as may be necessary for availing of any the above facilities whether present and/or contingent financial facilities and to authorize any of the officers of the company for signing and executing the same and also to authorize for affixing common seal of the company on any of the above documents in accordance with the provisions of the articles of association of the Company.

- To approve execution of power of attorney for specific purposes, inter alia including to authorize the officers of the company to sign and execute papers relating to income tax, customs, Goods and Service Tax, Reserve Bank of India, central/state governments, local bodies, railways, state electricity boards, telephones and telecommunications department, port trusts and/or any other applicable authorities and to attend the legal cases filed by and against the company, insurance matters and/or for any other specific purposes/work pertaining to the company as the committee may deem fit and proper.

- To give, withdraw, modify or alter any of the powers and/or authorities given to any person whether before or after this resolution and whether such powers and authorities have been given by the board of directors or by the committee, howsoever, including for affixing of the common seal of the company as may be considered appropriate from time to time, in so far as it relates to the matters delegated to the committee by the board;

- To authorize the officers of the company to make, submit, sign and execute applications, deeds, documents, agreements, contracts and any other papers(including modifications thereto) in connection with all the aforesaid matters delegated to the committee by the board as aforesaid and also to authorize for affixing the common seal of the company, if so required, on any of the aforesaid documents in accordance with the provisions of the articles of association of the company;

- To perform such other acts, deeds and things as may be delegated to the committee by the Board from time to time; and

- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Roles and Responsibilities:

- Reviewing with the management
  - The financial structure of the Company
  - Level of financial gearing

Method and means of fund raising in accordance with CAPEX and investments.

Risk Management Committee

The members of our Risk Management Committee are:

Name of the member	Status	Date of Appointment
Mrs. Vijayalakshmi Rajaram Iyer	Chairperson	June 26, 2017
Puranam Hayagreeva Ravikumar	Member	June 26, 2017
Shriram Jagetiya	Member	June 26, 2017

Our Risk Management Committee is responsible for governing the risk identification, assessment, measurement and reporting process of the business risks faced by our Company and its Subsidiaries. Our Risk Management Committee is responsible for assisting our management with implementation of the enterprise risk management framework of our Company in accordance with our risk management policy and carry out the following responsibilities:

- Risk identification;
- Risk assessment;
- Risk response and risk management strategy; and
- Risk monitoring, communication and reporting.

Allotment Committee

The members of our Allotment Committee are:*

Name of the member	Status	Date of Appointment
Subhash Chandra Bhargava	Member	June 26, 2017
Shriram Jagetiya	Member	June 21, 2015
Mrs. Pinky Mehta	Member	June 21, 2015

**Chairperson to be appointed at the next meeting.*

Our Senior Management

Brief Biographies of our Senior Management

Ajay Srinivasan

Chief Executive Officer- Aditya Birla Capital Limited

Mr. Ajay Srinivasan has been the Chief Executive Officer of the financial services business at the Aditya Birla Group since July 2007. In his role as Chief Executive Officer, he sets the vision and provides strategic direction and leadership for the Aditya Birla Group's financial services business which covers several verticals (such as life insurance, fund management, private equity, wealth management, retail broking, capital markets based lending, corporate financing, infrastructure finance, housing finance, general insurance broking, health insurance, pension fund management and online personal finance management). Under his leadership the financial services business has grown rapidly. The business has diversified into a large conglomerate with 8 new verticals added under his leadership. As on March 31, 2017, the business recorded a turnover of US$ 1.6 billion, profits of US$ 177 million, Asset under Management of US$ 37.9 billion, a lending book of US$ 6 billion, and a workforce of over 12,000 people. The business has been one of the fastest growing non banks in the India.

Prior to joining the Aditya Birla Group, Ajay was Chief Executive Officer, Fund Management at Prudential Corporation Asia, based in Hong Kong between January 2001 and July 2007. Under Ajay's leadership, Prudential's fund management operations in Asia grew rapidly, both organically and through acquisition. Ajay oversaw a business that spanned ten markets, including Japan, with total funds under management of about US$ 70 billion, which made it, at the time, the second largest retail fund manager in Asia. As a member of Prudential Corporation Asia's Board of Directors, Ajay also oversaw the development of Prudential's retirement business in Asia. Ajay joined Prudential in 1998 as Managing Director of Prudential ICICI Asset Management Company, Prudential's Indian fund management joint venture with ICICI Bank. Within two years of operation, Prudential ICICI AMC had grown to become the largest private sector asset management company in India. Prior to joining Prudential, Ajay was the Deputy Chief Executive Officer and Chief Investment officer of the Indian operations of Threadneedle Asset Management. With a proven track record for building successful business, his experience in the financial services industry span over two and a half decades. Ajay holds a BA with Honours in Economics from St. Stephen's College, University of Delhi and an MBA from the Indian Institute of Management, Ahmedabad.

Pankaj Razdan

Deputy Chief Executive— Aditya Birla Capital Limited

Chief Executive Officer and Managing Director— ABSLI

Pankaj Razdan has been with the Aditya Birla Group since July 2007. In his role as the Deputy Chief Executive, financial services, he is a part of the core think tank that strategizes and operationalizes the Aditya Birla Group's growth in the financial services business.

At ABCL, Pankaj has steered some of the key financial services verticals successfully despite the challenging times. He has guided ABSLI to an industry leadership position. He has also driven many key projects across ABCL to help set a foundation for our leadership in the Indian financial services industry.

In his role at ABSLI, Pankaj provides strategic direction and leads the insurance team towards achieving rapid growth and profitability. As ABSLI gears for its next phase of growth, it will benefit from his experience and expertise in growing businesses, developing new business models, building distribution efficiency and customer management.

Prior to joining the Aditya Birla Group, Pankaj was with ICICI Prudential Asset Management Company since 1998, taking charge as the Managing Director in 2004. Pankaj's experience and insights have been honed over 15 years of experience in the financial services industry. He began his career as an engineer at Nelco Limited and later moved to Karvy Consultants where he started his financial services career and served various assignments. He has been a recipient of several personal and professional recognitions including recognition as 'India's Hottest Young Executives' by Business Today.

Pankaj has a B.Sc. degree in Electronics from Pune University and is a graduate in Electronics Engineering from Bombay University. He has undergone management development programs from the Indian Institute of Management, Ahmedabad and leadership training from Centre of Leadership, USA.

Rakesh Singh

Chief Executive Officer – ABFL

Rakesh Singh has been the Chief Executive Officer of ABFL with effect from July 2011. He is responsible for the day-to-day management of the NBFC and for building the scale to make ABFL a leader and a role model in the sectors in which it operates. In this role, he develops and implements robust business plans with a focus on building a strong team with a culture of high performance, transparency and accountability.

As the Chief Executive Officer, he leads the strategy of the NBFC business through new market development, product and service innovation, superior client servicing and brand differentiation, optimize business resources by leveraging technology and support the business momentum with strong internal treasury, finance, risk management, operations & human resource frameworks and control mechanisms.

He also serves as a director on the board of ABHFL and is responsible for driving the housing finance strategy.

Rakesh, is a part of several industry forums including Confederation of Indian Industry and Federation of Indian Chambers of Commerce and Industry and lends his expertise as a member of FICCI's Banking and Financial Institutions Committee and is also on the board of studies as a member for the Narsee Monjee Institute of Management Studies.

Rakesh has over 24 years of experience and joined ABFL from Standard Chartered Bank where he spent 16 years, starting as Retail Assets (Mumbai and Kolkata) and moving on to become Head for Mortgages, India. His last assignment with Standard Chartered Bank was as General Manager & Head SME Banking, India and South Asia.

Rakesh is an alumnus of the Harvard Business School and the Indian Institute of Management, Kolkata and also holds a post graduation degree in International Relations.

Tushar Shah

Chief Executive Officer, Project & Structured Finance, ABFL and Director, Aditya Birla Money Ltd

Tushar Shah is the CEO for the Infrastructure, Project and Structured Finance vertical of ABFL since November 2011. The Infrastructure Finance vertical encompasses project linked lending, lending to large corporates, debt capital markets, debt syndication and an infrastructure PE fund. As a Director in Aditya Birla Money Limited, he mentors the equity and debt stock broking business. He is also a director in Aditya Birla ARC Limited, which will house the asset reconstruction business.

Prior to ABFL, Tushar Shah was the 'Chief Operating Officer' of IL&FS Financial Services Limited. His responsibilities there included asset and structured finance, DCM business and managing the structured mezzanine credit facility. He was with the IL&FS group for 16 years and has worked in the areas of capital markets, investment banking and corporate banking.

Prior to IL&FS Financial Services Limited, Tushar Shah was a partner in a chartered accountancy firm M/s Shah & Co and used to look after audit and taxation. He is a Chartered Accountant and holds an LLB degree.

A Balasubramanian

Chief Executive Officer - ABSLAMC

A. Balasubramanian is the Chief Executive Officer for Birla Sun Life Asset Management Company and has been with the organization since 1994. He has over 26 years of experience in the mutual fund industry as portfolio manager both in fixed income and equity. In 2006, Bala was appointed as the Chief Investment Officer at ABSLAMC, before assuming office as the Chief Executive Officer in 2009.

As CEO, Bala currently oversees the entire AAUM portfolio at ABSLAMC. He also oversees global mandates through its subsidiary companies in Singapore and Dubai, having assets of more than USD 3 billion, apart from overseeing alternate investment funds, real estate and PMS.

A very active contributor towards taking Indian mutual fund industry to the next level, Bala is closely associated with key industry bodies. He is a member of the Mutual Fund Advisory Council set up by SEBI. Apart from this prestigious role, he is also Chairman, Association of Mutual Funds of India (AMFI). He is a member of FICCI's Capital Market Committee and a member of CII Western Regional Council 2015-2016. He was also the Chairman of CII - Mutual Fund Summit 2011-2014.

Bala is also Director on the Board of Association of Mutual Funds in India, Institution for Mutual Fund Intermediaries (IMFI) and Aditya Birla Sun Life Asset Management Company Ltd., Dubai and Singapore.

He is an AMP, IIM Bangalore and DFM in addition to BSc. in Mathematics. He also has a Masters in Business Administration from GlobalNxt University, Malaysia.

D. Muthukumaran

Chief Executive Officer - ABPE

Prior to taking over as the CEO of Aditya Birla Private Equity, Mr. D Muthukumaran was the Head of Group Corporate Finance at the Aditya Birla Group for 12 years. Prior to that, he was in an international investment bank for a year and in a Big 4 Accounting firm for 8 years.

Mr. Muthukumaran has specialized in business strategy, portfolio management, identifying value creating opportunities, fund raising in debt and equity capital markets, structured finance, leverage buy-outs, private equity, regulatory and tax structuring and the full cycle of acquisitions. At the Group Corporate Finance in the Aditya Birla Group, Mr. Muthukumaran was driving Mergers and acquisitions and long term capital raising across all the businesses, Group investors relations and Chairman MIS.

Aditya Birla Group has successfully executed over two dozen and evaluated many more acquisitions, divestitures and other corporate finance transactions in most of which Mr. Muthukumaran has played a key role. The Aditya Birla Group is driven by the long term value creating strategy, presence across value chain, market leadership, cost competitiveness, innovation and free cash generation.

Recently, he has also taken over additional charge as the Chief Strategy Officer of the Aditya Birla Group.

Mr. Muthukumaran holds degree as a Chartered Accountant, a Cost & Works Accountant and bachelors of commerce from University of Madras.

Sandeep Dadia

Chief Executive Officer and Principal Officer – ABIBL

Sandeep Dadia joined ABIBL in April 2011. Under his leadership, ABIBL has grown significantly on all business parameters and, today, ABIBL is an integral and important subsidiary of ABCL having the fastest growing customer base.

Prior to ABIBL, he was the Principal Officer at Enam Insurance Brokers Private Limited. He was the key person who pioneered Enam Insurance Brokers Private Limited and served five years in Enam. He has also worked with the renowned third party administrator TTK Healthcare Services as Head – Business Development. He has a work experience of almost 20 years in the insurance industry.

He holds an MBBS degree and has insurance qualification.

Mayank Bathwal

Chief Executive Officer – ABHICL

Mr. Mayank Bathwal is Chief Executive Officer at ABHICL, a joint venture between the Aditya Birla Group and MMI Holdings of South Africa since August 2015.

Mayank has been responsible for setting up the latest venture of Aditya Birla Capital Limited into the health insurance space. In this role, Mayank has set the vision and provides strategic direction and leadership for the health insurance company. With his expertise and experience, the health insurance business has entered the Indian health market with a differentiated business model, developed an efficient multi-channel distribution system and has grown rapidly to cover over 400,000 lives in a short period of less than a year.

Mayank has a rich experience of nearly 20 years in the industry. He joined the Aditya Birla Group in early 1994 and has worked closely in various units and projects of the group including fertilizer and copper smelting units, financial services business and power projects.

He joined Aditya Birla Sun Life Insurance Company Limited in December 1999 as part of the project team to set up the Life Insurance venture and was looking after the Business Strategy and Planning function prior to taking charge of other finance operations of the company. Mayank then moved to take charge as the Chief Financial Officer of Sun Life, Indonesia in June 2006. He moved back to India in June 2007 as CFO at ABSLI with the objective of supporting ABSLI in its transformational phase after his yearlong successful stint in Indonesia. As the CFO & Head of Institutional Sales, in fiscal year 2011, in addition to the finance operations he also took charge of the Institutional Sales teams which included Bancassurance, Corporate Agency & Broking channels of ABSLI, ending his stint as the Deputy Chief Executive Officer at Birla Sun Life Insurance (ABSLI), the life insurance JV between the Aditya Birla Group and Sun Life, Canada.

Mayank is Fellow member of the Institute of Chartered Accountants of India (ICAI), the Institute of Cost & Works Accountants of India (ICWA) and the Institute of Company Secretaries of India (ICSI).

He is also engaged with several bodies, including the CII Sub-Committee on Accessibility Health Insurance, the FICCI Committee on Health Insurance and the Indian Chamber of Commerce's (ICC) Expert committee on Banking, Finance and Insurance. He is also a member of the Internet and Mobile Association of India's (IAMAI) HealthTech Committee.

Mayank has been a recipient of several personal and professional recognitions and has been felicitated at the Annual CFO 100 Roll of Honour (for the years 2012, 2013 and 2014) for his exceptional contribution to the area of Corporate Finance.

Mukesh Malik

Chief Operating Officer— Aditya Birla Capital Limited

Mukesh Malik joined the Aditya Birla Group in July 2016. In his role as the Chief Operating Officer, Mukesh is responsible for technology and operations for the financial services business covering strategy, policy, process and implementation, as well as quality and business excellence.

Prior to joining the Aditya Birla Group, Mukesh was Managing Director & Head of Citibank's global delivery business at Chennai. He was previously Head of Citicorp Services India (CSIL), Citi's global delivery captive in India. From 2008 to 2013, he was Head of Operations & Technology, Citibank South Asia. Having worked with Citibank, and previously with ABN AMRO Bank and Bank of America, Mukesh brings 25 years of rich experience from very diverse leadership roles in business, operations, technology, customer service, finance, client analytics, human resources & financial modelling in the consumer and corporate banking space.

Mukesh is a Chartered Accountant since 1991 and an alumnus of Shri Ram College of Commerce, Delhi.

Subhro Bhaduri

Chief Human Resource Officer— Aditya Birla Capital Limited

Subhro Bhaduri has been the Chief Human Resource Officer at Aditya Birla Capital Limited (formerly Aditya Birla Financial Services Limited) since 2014. He is responsible for the HR strategy, policy and the program management for the financial services businesses of Aditya Birla Group.

He has a rich experience of 29 years in the domains of HR and IR with focus on developing human capital best practices and building up enterprises with scale and quality in the manufacturing & financial services industries. Subhro in his earlier role was heading the HR mandate at Kotak Mahindra Bank & its subsidiaries like Kotak Mahindra Prime & KMIL. He led the HR mandate during the growth and expansion phase of Kotak Mahindra Bank from 2005 onwards and during his stint he was instrumental in scaling up its operations from 17 branches to over 500 branches. Under his leadership, Kotak Mahindra Bank was recognized amongst the top 10 companies in Asia Pacific for leaders to work in and was also recognized as a 'Best Employer' by Aon Hewitt & Great Places to Work Institute. Subhro started his career with Shaw Wallace and Company Limited as a management trainee and grew up to be the Head HR and IR for the firm.
Subhro has a bachelor's degree in Commerce from Calcutta University and has completed his post graduation in Human Resources from the Xavier Institute of Social Sciences. He also holds a master's degree from INSEAD, Singapore in Consulting and Coaching for Change (Clinical organization Psychology).

A. Dhananjaya

Chief Compliance and Risk Officer

A. Dhananjaya has been with the Aditya Birla Group since January 2008. In his role as the Chief Compliance and Risk Officer, Dhananjaya is responsible for overseeing the compliance and risk functions across all financial services businesses. This includes inter alia, credit risk, investment risk, operational risk, regulatory affairs, corporate governance etc.

Dhananjaya has over three decades of experience working across various industries and companies including ABN Amro Bank, Bank of America, MMTC of India and Mukand Iron and Steel Works Limited. In his last role at ABN Amro, Dhananjaya headed the compliance function of ABN Amro Group in India, consisting of a Bank, an AMC, an NBFC and a stock broking company. Prior to that, he performed a consulting assignment for ABN Amro Bank in Indonesia, which involved setting up an operational risk management function for Basel II readiness for the largest state owned bank in that country - Bank Mandiri.

Dhananjaya completed his B. Tech degree from Karnataka Regional Engineering College, Surathkal and PGDM from Indian Institute of Management, Bangalore.

Gaurav Zutshi

Chief Digital Officer

Gaurav Zutshi is Chief Digital officer at Aditya Birla Capital Limited and was appointed as Director - Aditya Birla MyUniverse Limited effective May 1, 2016. In the group role, he leads customer acquisition and digitization of the Company's portfolio of products across life insurance, mutual funds, digital lending, health & general insurance Broking. At Aditya Birla MyUniverse Limited, he is responsible for growing the product offering, revenue growth and continued market leadership in the personal finance space.

Prior to this he has worked at Citibank, Visa, ANZ Bank, IBM, First Data and Obopay. He was Asia Pacific Head of Product & Innovation at First Data serving banks & merchants across region with digital solutions in payments & mobility. At Citibank, Gaurav was SVP in Asia Pacific Innovation Lab, where he developed product solutions & new business models around international payments, corporate cards.

Gaurav was Global Head of Product Management and SVP of Obopay Inc, a pioneer in mobile payments across America, Europe, Africa and Asia. As Head of Business Development for Visa in Southeast Asia, Gaurav launched innovative payment products in Asia – NFC based contactless cards, mobile payment, Transit payment solutions, prepaid cards across Southeast Asia. Gaurav has a Bachelor's degree in engineering majoring in Computer Science from NIT Trichy.

Ajay Kakar

Chief Marketing Officer

Ajay Kakar has been with the Aditya Birla Group since February 2008. As the Chief Marketing Officer, he sets standards and provides direction and leadership for the Marketing function, for and across the businesses of Aditya Birla Capital Limited. As the customer champion, his mandate includes customer research and insights, brand, customer communication, product marketing, corporate communications, customer analytics, customer life-time value, customer experience and CSR.

Ajay has three decades of experience in consulting and financial services. He joined the Aditya Birla Group from Reliance Capital, where he was the Head of Branding. Additionally, he was also a member of the Brand Council for Reliance Anil Dhirubhai Ambani Group. He partnered the brand launch of this Group in May 2006.

Prior to Reliance Capital, Ajay spent over 14 years at Ogilvy & Mather, where as an Executive Director he held two portfolios – Head of their Financial Practice and country head of Ogilvy Public Relations. At Ogilvy and Mather, Ajay was the youngest Executive Director and was a member of Ogilvy & Mather India's National Executive Committee.

He has led his teams to consistently win various industry awards across his mandate, at both domestic and international platforms.

Over the years, Ajay's professional association with various industry bodies include Consultant, Association of Mutual Funds in India, Advisor, Financial Planning Standards Board, Advisor, Investor Education Program, Securities & Exchange Board of India (SEBI), President, Public Relations Consultants Association of India (PRCAI) and Vice President, The Advertising Club, India.

Pramo Selvaratnam

President – Business Development

Pramo Selvaratnam is President and head of Business Development and Strategic Alliances at ABCL. In this role his primary responsibility is to lead ABCL strategic initiatives and inorganic transactions as well as drive key business development initiatives across the different businesses within the ABCL platform. He joined ABCL in February 2017 and joined the Aditya Birla Group in early 2016 as Principal EA to the Chairman.

While in the chairman's office at the Aditya Birla Group, Pramo's responsibilities included assisting the Chairman on group wide initiatives across the Group's various businesses, specifically working closely with ABCL on business planning activities and key initiatives before eventually moving to this role. Pramo began his career at PwC in the United States working with financial services clients and utility and power clients. Pramo was also an investment banker at Goldman Sachs for over a decade, joining the bank in New York before moving to Mumbai after the bank set up its office there. His transaction experience includes mergers and acquisitions, LBOs, debt financing, equity and structured financing. He also covered a wide variety of sectors as a banker including the energy and power, infrastructure and metals sectors, heading the sector for Goldman in India.

Pramo has an MBA from Harvard Business School and BA from Franklin and Marshall College, PA majoring in Economics and also Business (Accounting). He is also qualified as a Certified Public Accountant and was a member of the PICPA.

OUR SUBSIDIARIES

Unless otherwise specified, all information in this section is as of the date of the filing of the Information Memorandum.

Our Company has the following Subsidiaries:

1. ABCAP Trustee Company Private Limited;
2. Aditya Birla ARC Limited;
3. Aditya Birla PE Advisors Private Limited;
4. Aditya Birla Commodities Broking Limited (100% Subsidiary of Aditya Birla Money Limited);
5. Aditya Birla MyUniverse Limited;
6. Aditya Birla Finance Limited;
7. Aditya Birla Financial Shared Services Limited;
8. Aditya Birla Health Insurance Co. Limited;
9. Aditya Birla Housing Finance Limited;
10. Aditya Birla Insurance Brokers Limited;
11. Aditya Birla Money Insurance Advisory Services Limited (100% Subsidiary of Aditya Birla Money Mart Limited);
12. Aditya Birla Money Limited;
13. Aditya Birla Money Mart Limited;
14. Aditya Birla Sun Life AMC Limited Dubai (100% subsidiary of Aditya Birla Sun Life AMC Limited);
15. Aditya Birla Sun Life Asset Management Company Pte Ltd. (Singapore) (100% subsidiary of Aditya Birla Sun Life AMC Limited);
16. Aditya Birla Trustee Company Private Limited;
17. Aditya Birla Wellness Private Limited;
18. Aditya Birla Sun Life Asset Management Company (Mauritius) Limited (100% subsidiary of Aditya Birla Sun Life AMC Limited);
19. Aditya Birla Sun Life AMC Limited;
20. Aditya Birla Sun Life Insurance Company Limited;
21. Aditya Birla Sun Life Pension Management Limited (100% subsidiary of Aditya Birla Sun Life Insurance Company Limited);
22. Aditya Birla Sun Life Trustee Private Limited;
23. Global Clean Energy Fund SPC (100% subsidiary of Aditya Birla Sun Life AMC Pte Ltd., Singapore);
24. India Advantage Fund Ltd., Mauritius (100% subsidiary of Aditya Birla Sun Life AMC Limited);
25. International Opportunities Fund - SPC (Cayman Islands); and
26. New Horizon Fund – SPC (Cayman Islands) (100% subsidiary of Aditya Birla Sun Life AMC Pte Ltd., Singapore).

Details of the Subsidiaries

1. ABCAP Trustee Company Private Limited

***Corporate Information*:**

ABCAP Trustee Company Private Limited ("**ABCAP Trustee**") was incorporated on April 24, 2013. ABCAP Trustee's registered office is situated at A-1, 4th Floor, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400030. ABCAP Trustee is involved in the business of acting as an account aggregator.

***Capital Structure*:**

The authorized equity share capital of ABCAP Trustee is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of ₹ 200,000 divided into 20,000 shares of ₹ 10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABCAP Trustee.

2. Aditya Birla ARC Limited

***Corporate Information*:**

Aditya Birla ARC Limited ("**ABARC**") was incorporated on March 10, 2017 and a certificate of incorporation to this effect was issued by the Registrar of Companies, Maharashtra. ABARC's registered office is situated at 18th Floor, One Indiabulls Centre, Jupiter Mills Compound, 841, S.B. Marg, Mumbai 400 013. ABARC is proposed to be in the business of securitization and to act as an asset reconstruction company.

***Capital Structure*:**

The authorized equity share capital of ABARC is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of ABARC is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 per share.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABARC.

3. Aditya Birla PE Advisors Private Limited

***Corporate Information*:**

Aditya Birla PE Advisors Private Limited ("**ABPE**") was incorporated on February 22, 2008 as AB Nuvo Capital Advisors Private Limited under the Companies Act, 1956. Subsequently, its name was changed to Aditya Birla Capital Advisors Private Limited on June 2, 2008 and was further changed to its present name on July 3, 2017. ABPE, having its registered office situated at One Indiabulls Centre, Tower 1, 18th Floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400013, is involved in the business of investment management and advisory services.

***Capital Structure*:**

The authorized equity share capital of ABPE is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹10 each. The issued, subscribed and paid up equity share capital of ABPE is ₹ 35,000,000 divided into 3,500,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABPE.

4. **Aditya Birla Commodities Broking Limited**

***Corporate Information*:**

Aditya Birla Commodities Broking Limited ("**ABCBL**") was originally incorporated on October 10, 2003 as 'Apollo Sindhoori Commodities Trading Limited'. Subsequently, a fresh certificate of incorporation dated September 29, 2009 upon change of name to Aditya Birla Commodities Broking Limited was issued by the Registrar of Companies, Chennai. ABCBL's registered office is situated at Indian Rayon Compound, Veraval, Gujarat 362266. ABCBL is involved in the business of trading in relation to agricultural products, metals, energy products, precious stones, and all other commodities and securities, in spot market and in futures, and all kinds of derivatives of all the above commodities and securities.

***Capital Structure*:**

The authorized equity share capital of ABCBL is ₹ 70,000,000 divided into 7,000,000 equity shares of ₹10 each. The issued, subscribed and paid up capital of ABCBL is ₹55,000,000 consisting of 5,500,000 Equity shares of ₹10/- each.

***Shareholding Pattern*:**

ABML (along with its nominees) holds 100% of the paid-up equity capital of ABCBL.

5. **Aditya Birla MyUniverse Limited**

***Corporate Information*:**

Aditya Birla MyUniverse Limited ("**ABMUL**") was originally incorporated as Aditya Birla Customer Services Limited on September 11, 2008 and its name was changed to its present name and a fresh certificate of incorporation was issued on June 16, 2017. ABMUL's registered office is situated at Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400 030. ABMUL is involved in the business of:

(i) Mutual fund distribution and is affiliated with the Association of Mutual Funds of India ("**AMFI**") with its AMFI registration number being 91896;

(ii) Providing account aggregation services to its customers wherein its customers can link their various bank accounts, credit cards, insurance policies etc;

(iii) Offering advertisement and lead generation facility and / or services for third party financial products such as mutual funds, insurance, stock broking and demat accounts, bank accounts, credit cards, loans (including home,education and personal loans); and

(iv) Facilitating financial transaction capabilities through its online platform, www.myuniverse.co.in.

***Capital Structure*:**

The authorized share capital of ABMUL is ₹400,000,000 divided into 30,000,000 equity shares of ₹10 each amounting to ₹ 300,000,000 and 5,000,000 compulsory convertible preference shares of ₹10 each amounting to ₹ 50,000,000 and 5,000,000 class B compulsory convertible preference share of ₹10 each, amounting to ₹ 50,000,000. Additionally, the issued, subscribed and paid-up equity share capital of ABMUL is ₹180,011,240 divided into 18,001,124 equity shares of ₹10 each. Additionally, the issued, subscribed and paid-up capital of other class of shares of ABMUL is 4,695,938 compulsory convertible preference of ₹10 each, amounting to ₹ 46,959,380 and 4,695,938 compulsorily convertible preference shares class B of ₹10 each, amounting to ₹46,959,380.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 93.70% and Aditya Birla Customer Services Employee Welfare Trust (under ESOP) holds 6.3% of the paid-up equity share capital of ABMUL. Additionally, the compulsory convertible preference share is held by IFC and the compulsorily convertible preference shares class B is held by Aditya Birla Capital Limited. The shareholding pattern of ABMUL is:

Sr. No.	Name of Equity Shareholders	No. of equity shares of ₹10 each	Percentage of total equity holding (%)
1	Aditya Birla Capital Limited (along with its nominees)	16,866,271	93.70
2	Aditya Birla Customer Services Employee Welfare Trust (under ESOP)	1,134,853	6.30
TOTAL		**18,001,124**	**100.00**

Sr. No.	Name of Preference Shareholders	No. of preference shares of ₹10 each	Percentage of total equity holding (%)
1	Aditya Birla Capital Limited 0.001% compulsorily convertible preference shares (“**CCPS**”) class B of ₹10/- each	4,695,938	50.00
2	International Finance Corporation 0.001% CCPS of ₹10/- each	4,695,938	50.00
TOTAL		**9,391,876**	**100.00**

6. Aditya Birla Finance Limited

***Corporate Information*:**

Aditya Birla Finance Limited (“**ABFL**”) was incorporated on August 28, 1991 under the Companies Act, 1956 and its name was changed to its present name on December 21, 2009. Its registered office is situated at Indian Rayon Compound, Veraval, Gujarat 362266. It is registered with the RBI as a systemically important non-deposit accepting non-banking finance company (“**NBFC**”) to carry on the business of a non-banking financial institution.

***Capital Structure*:**

The authorized share capital of ABFL is ₹22,800,000,000 divided into 1,270,000,000 equity shares of ₹ 10 each, 10,000,000 – 8% redeemable cumulative preference shares of ₹ 10 each and 1,000,000,000 preference shares of ₹ 10 each. The issued, subscribed and paid-up share capital consists of ₹ 6,274,085,770 equity share capital divided into 627,408,577 equity shares of ₹ 10 each and ₹100,000,000 preference share capital divided into 10,000,000 8% redeemable cumulative preference shares of ₹10 each.

***Shareholding Pattern*:**

ABCL (along with its nominees) holds 100% of the paid-up equity and preference share capital of ABFL.

7. Aditya Birla Financial Shared Services Limited

***Corporate Information*:**

Aditya Birla Financial Shared Services Limited (“**ABFSSL**”) was incorporated on June 19, 2008 and has its registered office situated at One Indiabulls Centre, Tower 1, 18th Floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400013. ABFSSL is engaged in providing financial and IT enabled services and provides a common pool of facilities and resources like technology, application and business process services to Aditya Birla Capital Limited and its subsidiaries.

***Capital Structure*:**

The authorized equity share capital of ABFSSL is ₹ 500,000 divided into 50,000 equity shares of ₹10 each with the issued, subscribed and paid-up equity share capital being ₹ 500,000 divided into 50,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABFSSL.

8. Aditya Birla Health Insurance Co. Limited

***Corporate Information*:**

Aditya Birla Health Insurance Co. Limited ("**ABHICL**") was incorporated on April 22, 2015 having its registered office situated at 10/A, Romell TechPark, Building No. 2, 10th Floor, Nirlon Compound, Western Express Highway Goregaon (East), Mumbai—400 063. ABHICL is involved in the business of organizing, distributing, developing and managing health insurance and assurance activities.

***Capital Structure*:**

The authorized equity share capital of ABHICL is ₹ 1,010,000,000 with 101,000,000 equity shares of ₹10 each and the issued, subscribed and paid-up share capital is ₹ 1,004,411,780 divided into 100,441,178 equity shares of ₹10 each.

Shareholding Pattern

The shareholding pattern of ABHICL is:

Sr. No	Name of Equity Shareholders	No. of Shares held of ₹ 10 each	Percentage of total equity holding (%)
1.	Aditya Birla Capital Limited (along with its nominees)	51,225,001	51.00
2.	MMI Strategic Investments (Pty) Limited	49,216,177	49.00
	TOTAL	**100,441,178**	**100.00**

9. Aditya Birla Housing Finance Limited

***Corporate Information*:**

Aditya Birla Housing Finance Limited ("**ABHFL**") was originally incorporated as LIL Investment Limited on July 27, 2009 under the Companies Act, 1956. Subsequently, the name of ABHFL was changed to its present name and a fresh certificate of incorporation was issued on January 10, 2013. Its registered office is situated at Indian Rayon Compound, Veraval, Junagadh, Gujarat 362266. ABHFL is involved in the business of housing finance in India and elsewhere both directly and indirectly.

***Capital Structure*:**

The authorized equity share capital of ABHFL is ₹ 10,000,000,000 with 1,000,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of ₹ 3,510,500,000 divided into 351,050,000 shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABHFL.

10. Aditya Birla Insurance Brokers Limited

***Corporate Information*:**

Aditya Birla Insurance Brokers Limited ("**ABIBL**") was incorporated on December 26, 2001 having its registered office situated at Indian Rayon Compound, Veraval, Gujarat 362266. ABIBL is involved in the business of insurance broking and other financial services.

***Capital Structure*:**

The authorized equity share capital of ABIBL is ₹ 30,000,000 with 3,000,000 equity shares of ₹10 each. Issued, subscribed and fully paid up share capital of ₹ 27,000,000 with 2,700,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

The shareholding pattern of ABIBL is:

Sr.No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of total equity holding (%)
1.	Aditya Birla Capital Limited (along with its nominees)	1,350,054	50.00
2.	Infocyber India Private Limited	1,349,946	49.99
TOTAL		**2,700,000**	**100.00**

11. Aditya Birla Money Insurance Advisory Services Limited

***Corporate Information*:**

Aditya Birla Money Insurance Advisory Services Limited ("**ABMIASL**") was incorporated on September 12, 2001. ABMIASL's registered office is situated at Indian Rayon Compound, Veraval, Gujarat 362266. ABMIASL carries mainly the business of selling, distributing, and marketing of insurance products as a corporate agent and is engaged in the distribution of life insurance products of ABSLI to the customers of ABMML.

***Capital Structure*:**

The authorized equity share capital of ABMIASL is ₹5,000,000 with 500,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of ABMIASL is ₹ 4,900,000 divided into 490,000 shares of ₹ 10 each.

***Shareholding Pattern*:**

Aditya Birla Money Mart Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABMIASL.

12. Aditya Birla Money Limited

***Corporate Information*:**

Aditya Birla Money Limited ("**ABML**") was originally incorporated on July 4, 1995 with the name 'Apollo Sindhoori Capital Investments Limited'. Subsequently, a fresh certificate of incorporation was issued to ABML by the Registrar of Companies on August 3, 2009 for change of its name to Aditya Birla Money Limited. ABML's registered office is situated at Indian Rayon Compound, Veraval, Gujarat 362266. ABML is involved in the business of applying and obtaining membership interests and trading privileges in various stock exchanges and security exchanges, providing finance and making investments. The equity shares of ABML are listed on BSE and NSE.

***Capital Structure*:**

The authorized share capital of ABML is ₹250,000,000 divided into 150,000,000 equity shares of ₹1 each and 1,000,000 preference shares of ₹ 100 each. The issued, subscribed and paid-up share capital of ABML is ₹ 55,889,212 divided into 55,889,212 equity shares of ₹1 each and ₹100,000,000 divided into 1,000,000 8% redeemable non convertible non cumulative preference shares of ₹100 each.

***Shareholding Pattern*:**

The shareholding pattern of ABML is:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+D)	Number of equity shares held in dematerialized form
A. Promoter & Promoter Group	1	41,550,000	41,550,000	74.34	41,550,000
B. Public	19,116	14,339,212	14,339,212	25.66	13,356,162
C. Shares underlying DRs	-	-	-	0.00	-
D. Shares held by Employee Trust	-	-	-	0.00	-

E. Non Promoter - Non Public	-	-	-	0.00	-
Total	**19,117**	**55,889,212**	**55,889,212**	**100.00**	**54,906,162**

Share Price Information

The following table sets forth details of the highest and lowest price of ABML's shares on BSE during the preceding six months:

(*in ₹*)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly low
1.	July 2017	3,616,943	164.45	74.00
2.	June 2017	4,219,596	73.35	50.35
3.	May 2017	456,880	57.25	50.15
4.	April 2017	3,650,441	69.60	31.60
5.	March 2017	145,528	32.90	27.95
6.	February 2017	239,402	32.80	28.80

The following table sets forth details of the highest and lowest price of ABML's shares on NSE during the preceding six months:

(*in ₹*)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly low
1.	July 2017	13,998,735	164.90	74.15
2.	June 2017	15,373,948	73.40	50.00
3.	May 2017	1,577,396	56.50	49.75
4.	April 2017	9,460,805	69.35	31.20
5.	March 2017	791,649	32.45	28.00
6.	February 2017	852,621	32.90	28.60

13. Aditya Birla Money Mart Limited

***Corporate Information*:**

Aditya Birla Money Mart Limited ("**ABMML**") was incorporated on June 13, 1997 as 'Birla Sun Life Distribution Company Limited' under the Companies Act, 1956. It received a fresh certificate of incorporation issued by the Registrar of Companies, Maharashtra, on February 1, 2010 for change of name to Aditya Birla Money Mart Limited. ABMML's registered office is situated at Indian Rayon Compound, Veraval, Gujarat—362 266. ABMML is involved in the business of publishing an in house magazine "Investime" on mutual funds and other financial products and, *inter alia*, carries the advertisement of various mutual funds companies.

***Capital Structure*:**

The authorized share capital of ABMML is ₹1,250,000,000 divided into 25,000,000 equity shares of ₹10 each and 100,000,000 preference shares of ₹10 each. The issued, subscribed and paid-up equity share capital of ABMML is ₹ 1,000,000 divided into 100,000 equity shares of ₹10 each and ₹ 1,000,000 divided into 100,000 preference shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (alongwith its nominees) holds 100% of the paid-up equity share capital in ABMML.

14. Aditya Birla Sun Life AMC Limited Dubai

***Corporate Information*:**

Aditya Birla Sun Life AMC Limited Dubai ("**ABSLAMC Dubai**") was incorporated on November 9, 2010 under the Companies Law, Law No. 2 of 2009. The company having its registered office at Unit 5, Floor 7, Currency House – Building 1, Dubai International Financial Centre, Dubai, 482027, United Arab Emirates holds a category 4 license issued by the DFSA which permits to carry on Arranging Credit or Deals in Investments, Advising on Financial Products or Credit. ABSLAMC Dubai is also permitted to conduct marketing activities of one or more financial services or products. ABSLAMC Dubai aims to be the primary vehicle for executing its parent company's Middle East strategy.

***Capital Structure*:**

The authorized equity share capital of ABSLAMC Dubai is US$ 5,000,000 divided into 5,000,000 equity shares of US$ 1 each and the issued, subscribed and paid-up equity share capital is US$ 3,125,000 divided into 3,125,000 equity shares of US$ 1 each.

***Shareholding Pattern*:**

Aditya Birla Sun Life Asset Management Company Limited holds 100% of the paid-up equity share capital in ABSLAMC Dubai.

15. Aditya Birla Sun Life Asset Management Company Pte Ltd (Singapore)

***Corporate Information*:**

Aditya Birla Sun Life Asset Management Company Pte Ltd (Singapore) ("**ABSLAMC Singapore**") was incorporated on January 25, 2010 under the Companies Act (Cap 50) having its registered office situated at 1 Marina Boulevard, #28-00, One Marina Boulevard, 018989. ABSLAMC Singapore is a Capital Markets Services License (CMSL) holder registered with the Monetary Authority of Singapore (MAS). As a CMSL holder, ABSLAMC Singapore can undertake and carry on any Fund Management business activity.

***Capital Structure*:**

The issued, subscribed and paid-up equity share capital is S$ 13,600,000 divided into 13,600,000 equity shares of S$1 each.

***Shareholding Pattern*:**

ABSLAMC holds 100% of the paid-up equity share capital in ABSLAMC Singapore.

16. Aditya Birla Trustee Company Private Limited

***Corporate Information*:**

Aditya Birla Trustee Company Private Limited ("**ABTCPL**") was incorporated on September 11, 2008. Its registered office is situated at Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400030. ABTCPL is involved in the business of acting as trustees for mutual, offshore, pension, provident, venture capital and other kinds of funds.

***Capital Structure*:**

The authorized equity share capital of ABTCPL is ₹ 500,000 divided into 50,000 equity shares of ₹10 each and the issued, subscribed and paid up share capital is ₹500,000 divided into 50,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Capital Limited (alongwith its nominees) holds 100% of the paid-up equity share capital in ABTCPL.

17. Aditya Birla Wellness Private Limited

Aditya Birla Wellness Private Limited ("**ABWPL**") was incorporated on June 23, 2016. ABWPL is a joint venture between MMI Strategic Investments (PTY) Limited, Aditya Birla Nuvo Limited, MMI Holdings Limited and our Company. ABWPL undertakes the business of providing incentivized wellness and related services to the health joint venture and/or the customers of the health joint venture in India.

Capital Structure

The authorized equity share capital of ABWPL is ₹100,000,000 divided into 10,000,000 equity shares of ₹10 each and the issued, subscribed and paid up share capital is ₹ 43,666,670 divided into 4,366,667 equity shares of ₹10 each.

Shareholding Pattern

The shareholding pattern of ABWPL is:

Sr. No	Name of Equity Shareholder	No. of Shares held Face Value of ₹ 10/- each	Percentage of Shareholding
1	Aditya Birla Capital Limited	2,226,990	51.00
2	Nominee of Aditya Birla Capital Limited	10	
3	MMI Strategic Investments (Pty) Limited	2,139,667	49.00

18. Aditya Birla Sun Life Asset Management Company (Mauritius) Limited

***Corporate Information*:**

Aditya Birla Sun Life Asset Management Company (Mauritius) Limited ("**ABSLAMC (Mauritius)**") was incorporated on May 20, 1996 as 'Birla Capital International AMC (Mauritius Limited)'. Subsequently, the name of the company was changed to Birla Sun Life AMC (Mauritius) Limited on September 9, 1999, and further, the name of the company was changed to Aditya Birla Sun Life Asset Management Company (Mauritius) Limited on July 17, 2017 by the Registrar of Companies, Republic of Mauritius. ABSLAMC (Mauritius) has its registered office situated at IFS Court, Twenty Eight, Cybercity Ebene, Mauritius. ABSLAMC (Mauritius) acts as an investment manager to India Advantage Fund Limited.

***Capital Structure*:**

The issued, subscribed and paid up share capital is US$ 45,000 divided into 4,500 equity shares of US$10 each.

***Shareholding Pattern*:**

ABSLAMC holds 100% of the paid-up equity share capital in ABSLAMC (Mauritius).

19. Aditya Birla Sun Life AMC Limited

***Corporate Information*:**

Aditya Birla Sun Life AMC Limited ("**ABSLAMC**") (formerly known as Birla Sun Life Asset Management Company Limited) was incorporated on September 5, 1994 with the name Birla Capital International AMC Limited. Subsequently, the name of the Company was changed from Birla Capital International AMC Limited to Birla Sun Life Asset Management Company Limited w.e.f June 29, 1999. Further a fresh Certificate of Incorporation dated July 17, 2017 was issued by the Registrar of Companies, Mumbai, for change of name from Birla Sun Life Asset Management Company Limited to Aditya Birla Sun Life AMC Limited. ABSLAMC has its registered office situated at One Indiabulls Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai - 400013 and is involved in the business of acting as an investment manager for mutual funds.

***Capital Structure*:**

The authorized equity share capital of ABSLAMC is ₹ 20,00,00,000 divided into 2,00,00,000 equity shares of ₹ 10/- each and the issued, subscribed and paid-up share capital is ₹18,00,00,000 divided into 1,80,00,000 equity shares of ₹10/- each.

***Shareholding Pattern*:**

The shareholding pattern of ABSLAMC is:

Sr. No.	Name of the shareholder	No. of equity shares of (Face Value) ₹10 each	Percentage of total equity holding (%)

Sr. No.	Name of the shareholder	No. of equity shares of (Face Value) ₹10 each	Percentage of total equity holding (%)
1.	Aditya Birla Capital Limited (along with its nominees)	9,179,980	51.00
2.	Sun Life (India) AMC Investments Inc. Canada	88,20,000	49.99
3.	Mr. Kumar Mangalam Birla	10	0.00
4.	Ms. Neerja Birla	10	0.00
	TOTAL	**18,000,000**	**100.00**

20. Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Sun Life Insurance Company Limited ("**ABSLI**") was incorporated on August 4, 2000 under the Companies Act, 1956 having its registered office at One Indiabulls Center, Tower 1, 16th Floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400 013. The company received its certificate of commencement of business on January 17, 2001 issued by the Registrar of Companies, Mumbai, Maharashtra. ABSLI operates in providing life insurance business including, but not limited to, engaging in retrocession.

At an extraordinary general meeting held on July 19, 2017, the shareholders of ABSLI have approved change in its name from Birla Sun Life Insurance Company Limited to Aditya Birla Sun Life Insurance Company Limited ("**ABSLI**").

***Capital Structure*:**

The authorized equity share capital of ABSLI is ₹37,500,000,000 divided into 3,750,000,000 equity shares of ₹10 each and the issued, subscribed and paid up share capital is ₹19,012,080,000 divided into 1,901,208,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

The shareholding pattern of ABSLI is:

Sr. No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of total equity holding (%)
1.	Aditya Birla Capital Limited (along with its nominees)	969,616,080	51.00
2.	Sun Life India	931,591,920	49.00
	TOTAL	**1,901,208,000**	**100.00**

21. Aditya Birla Sun Life Pension Management Limited

Aditya Birla Sun Life Pension Management Limited ("**ABSLPML**") was incorporated on January 9, 2015 after receiving a certificate of incorporation issued by the Registrar of Companies, Mumbai, Maharashtra. ABSLPML's registered office is situated at One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400013. ABSLPML is involved in the business of fund and pension fund management. Subsequently, it received a certificate of registration as pension fund dated February 23, 2016 from the Pension Fund Regulatory and Development Authority, New Delhi.

***Capital Structure*:**

The authorized equity share capital of ABSLPML is ₹350,000,000 divided into 35,000,000 equity shares of ₹10 each and the issued, subscribed and paid up share capital is ₹ 270,000,000 divided into 27,000,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

Aditya Birla Sun Life Insurance Company Limited (along with its nominees) holds 100% of the paid-up equity share capital in ABSLPML. Aditya Birla Sun Life Insurance Company Limited holds 26,999,940 shares and its nominees hold 60 equity shares of ₹10 each.

22. **Aditya Birla Sun Life Trustee Private Limited**

***Corporate Information*:**

Aditya Birla Sun Life Trustee Private Limited ("A**BSL Trustee**") (formerly known as Birla Sun Life Trustee Company Private Limited) was incorporated on September 23, 1994 with the name Birla Capital International Trustee Company Limited. Subsequently the name of the Company was changed from Birla Capital International Trustee Company Limited to Birla Sun Life Trustee Company Limited w.e.f. October 15, 1999 and further was converted into a private limited company w.e.f. September 10, 2002. Further a fresh Certificate of Incorporation dated July 18, 2017 was issued by the Registrar of Companies, Mumbai for change of name from Birla Sun Life Trustee Company Private Limited to Aditya Birla Sun Life Trustee Private Limited. ABSL Trustee's registered office is situated at One Indiabulls Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400013. ABSL Trustee acts as trustee for mutual funds.

***Capital Structure*:**

The authorized equity share capital of ABSL Trustee is ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each and the issued, subscribed and paid up share capital is ₹ 200,000 divided into 20,000 equity shares of ₹10 each.

***Shareholding Pattern*:**

The shareholding pattern of BSL Trustee is:

Sr. No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of total equity holding (%)
1.	Aditya Birla Capital Limited	10,170	50.85
2.	Sun Life (India) AMC Investments Inc.	9,800	49.00
3.	Birla Group Holdings Limited	10	0.05
4.	Mr. Kumar Mangalam Birla	10	0.05
5.	Ms. Neerja Birla	10	0.05
TOTAL		**20,000**	**100.00**

23. **Global Clean Energy Fund SPC**

Global Clean Energy Fund SPC ("**GCE Fund**") was incorporated in Cayman Islands and its name was changed from Global Clean Energy Fund to Global Clean Energy Fund SPC on May 3, 2016. Its registered office is situated at 4th Floor, Harbour Place, 103 South Church Street, George Town, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands.

Aditya Birla Sun Life Asset Management Company Pte Ltd (Singapore) holds 100% of the paid-up equity share capital in GCE Fund.

24. **India Advantage Fund Limited**

***Corporate Information*:**

India Advantage Fund Limited ("**IAFL**") was incorporated on May 23, 1996 having its registered office situated at IFS Court, Twenty Eight, Cybercity Ebene, Mauritius and is licensed by the Mauritius Financial Services Commission as a Category 1 Global Business Licence holder. IAFL is involved in the business of managing funds.

***Capital Structure*:**

The issued, subscribed and paid up share capital is US$ 1,300 divided into 130 equity shares of US$ 10 each.

***Shareholding Pattern*:**

ABSLAMC holds 100% of the paid-up equity share capital in IAFL.

25. **International Opportunities Fund SPC (Cayman Island)**

Corporate Information:

International Opportunities Fund SPC (Cayman Island) ("**IOF Cayman**") was incorporated on August 8, 2012 as Aditya Birla Sun Life SPC. Subsequently, the name was changed via issuance of a certificate of incorporation on change of name dated December 11, 2013 in the name of International Opportunities Fund SPC by the Registry of Companies, Cayman Islands. IOF Cayman having its registered office situated at 3rd Floor, Queens Gate House, 113 South Church Street, Grand Cayman, KY 1-1002 is involved in the business of managing funds.

Shareholding Pattern:

ABSLAMC Singapore holds 100% of the paid-up equity share capital in IOF Cayman.

26. New Horizon Fund SPC (Cayman Island)

Corporate Information:

New Horizon Fund SPC ("**NH Fund**") was incorporated in Cayman Islands on April 28, 2017. Its registered office is situated at 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands

Shareholding Pattern:

The share capital of the Company is US$50,000 divided into 100 Management Shares of a par value of US$0.01 each and 4,999,900 participating shares of a par value of US$0.01 each.

Aditya Birla Sun Life Asset Management Company Pte Ltd, (Singapore) holds 100% of the share in NH Fund.

OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

Our Promoter

Grasim Industries Limited is the Promoter of our Company.

Details of our Promoter

Grasim Industries Limited was incorporated as The Gwalior Rayon Silk Manufacturing (Weaving) Company Limited on August 25, 1947 in the then State of Gwalior under the provisions of the Gwalior Companies Act (1 Samvat 1963). The name of The Gwalior Rayon Silk Manufacturing (Weaving) Company Limited was subsequently changed to the current name i.e. Grasim Industries Limited with effect from July, 22 1986. The CIN of Grasim Industries Limited is L17124MP1947PLC000410.

Registered Office

Grasim Industries Limited
Birlagram, Nagda, District Ujjain
Madhya Pradesh – 456 331, India
Tel: Corporate Office: +91 2266525000/24995000
Fax: 91 2266525114
E-mail: grasim.secretarial@adityabirla.com
Website: www.grasim.com

Grasim is engaged in the business of manufacturing of viscose staple fibre, textiles, chemicals and cement. The equity shares of Grasim are listed on BSE and NSE. The Global Depository Receipts ("**GDR**") issued by Grasim are listed on the Luxembourg Stock Exchange.

Board of Directors of Grasim

The following table sets forth details of the board of directors of Grasim as on the date of this Information Memorandum:

S. No.	Name of the Director	Designation
1.	Kumar Mangalam Birla	Non-Executive Director- Chairperson
2.	Rajashree Birla	Non-Executive Director
3.	Madhav Laxman Apte	Independent Director
4.	Bhupendranath Bhargava	Independent Director
5.	Cyril Shroff	Independent Director
6.	Dr. Thomas M. Connelly Jr.	Independent Director
7.	Om Prakash Rungta	Independent Director
8.	Narendranathan Mohanraj Nair	Non-Executive Director- Nominee Director
9.	Shailendra Kumar Jain	Non-Executive Director
10.	Arun Kannan Thiagarajan	Independent Director
11.	Dilip Roopsingh Gaur	Executive Director- Managing Director
12.	Sushil Agarwal	Executive Director- Whole-Time Director & CFO

Shareholding Pattern of Grasim

As on the date of this Information Memorandum, the authorized share capital of Grasim is ₹1,255,000,000 divided into 597,500,000 Equity Shares of ₹2 each and 600,000 Preference Shares of ₹100 each.

The shareholding pattern of Grasim as on June 16, 2017 and prior to the consummation of the Scheme was as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
						No. (a)	As a % of total Shares held (b)	

(A) Promoter & Promoter Group	28	121,983,080	24,011,520	145,994,600	31.27	1,026,535	0.70	145,994,600
(B) Public	152,516	297,549,235	23,318,355	32,08,67,590	68.73	0	0.00	299,022,614
(C1) Shares underlying DRs	0	0	0	0	0.00	0	0.00	0
(C2) Shares held by Employee Trusts	0	0	0	0	0.00	0	0.00	0
(C) Non Promoter-Non Public	0	0	0	0	0.00	0	0.00	0
Grand Total	152,544	419,532,315	47,329,875	466,862,190	100.00	1,026,535	0.22	445,017,214

The shareholding pattern of Grasim as on the date of filing this Information Memorandum is as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
						No. (a)	As a % of total Shares held (b)	
(A) Promoter & Promoter Group	28	23,95,94,340	2,40,11,520	26,36,05,860	40.10	1,198,547	0.45	26,36,05,860
(B) Public	2,65,083	37,17,22,451	2,20,05,234	39,37,27,685	59.90	-	-	36,86,19,706
(C1) Shares underlying DRs	-	-	-	-	-	-	-	-
(C2) Shares held by Employee Trusts	-	-	-	-	-	-	-	-
(C) Non Promoter-Non Public	-	-	-	-	-	-	-	-
Grand Total	**2,65,111**	**61,13,16,791**	**4,60,16,754**	**65,73,33,545**	**100.00**	**11,98,547**	**0.45**	**63,22,25,566**

Financial Performance of Grasim

The following table sets forth details of the brief audited financial results of Grasim for the fiscal year 2017, fiscal year 2016 and fiscal year 2015:

₹in Crore

Profit & Loss Account	2016-17	2015-16	2014-15
Revenue from Operations (Net)	**10,331**	**8,980**	**6,333**
PBIDT	**2,629**	**1,860**	**1,013**
Interest	58	147	39
Gross Profit (PBDT)	**2,571**	**1,713**	**974**
Depreciation	446	447	263
Profit before Tax, Exceptional	**2,125**	**1,266**	**711**
Exceptional Items (EI)	-	-29	-26
Profit before Tax	**2,125**	**1,237**	**685**
Total Tax Expense	565	283	155

Profit & Loss Account	2016-17	2015-16	2014-15
Net Profit	**1,560**	**953**	**530**
Equity Dividend (including CTD)	* 275	221	169

* Amount of dividend distribution for the current year is subject to change on account of issue of equity shares by the Company to the shareholders of Aditya Birla Nuvo Limited (ABNL) in terms of the Scheme of Arrangement for amalgamation of ABNL with the Company.

₹in Crore

Balance Sheet [3]	2016-17	15-16	14-15
Net Fixed Assets (incl. CWIP and Capital Advance)	7317	7,412	5,710
Long-Term Loans & Advances (Excluding Capital Advances)	178	744	454
Investments (Non-Current and Current)	8,996	5,687	5,350
Current Assets (excluding Current Investments)	3,360	3,140	2,851
	19,851	**16,983**	**14,365**
Share Capital	93	93	92
Reserves & Surplus	16,138	12,277	11,091
Net Worth	**16,231**	12,370	11,183
Deferred Tax Liability (Net)	663	959	615
Long Term Liabilities & Provisions	110	97	89
Total Loan Funds [1]	701	1,840	1,115
Current Liabilities [1]	2,146	1,717	1,363
	19,851	**16,983**	**14,364**

Ratios & Statistics		2016-17	15-16	14-15
PBIDT Margin	(%)	**22.4**	20.1	15.2
Net Margin	(%)	**13.3**	10.6	8.3
Interest Cover (PBIDT- Current Tax/Total Interest)	(x)	**36.4**	11.0	13.8
Total Debt to Equity Ratio	(x)	**0.04**	0.15	0.10
Net Debt to Equity Ratio [2]	(x)	**-**	0.03	-
Dividend per Share	₹/ Share	**5.50**	22.5	18.0
Basic Earnings per Share (before EI/EO)	₹/ Share	**33.4**	105.2	60.5
Book Value per Share	₹/ Share	348	1325	1217
No. of Equity Shareholders	No.	**152,544**	139,659	134,350

Note 1 - Short Term Borrowing and Current Maturities of Long Term Borrowings have been included in Total Loan Funds excluding the same from Current Liabilities.
Note 2 – Liquid investment is higher than Net debt from fiscal year 2011-12 till 2014-15.

Share Price Information

The following table sets forth details of the highest and lowest price of Grasim's shares on BSE during the preceding six months:

(in ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly low
1.	July 2017	5,479,357	1,331.75	1,013.00
2.	June 2017	870,785	1,266.75	1,092.40
3.	May 2017	2,020,613	1,236.60	1,083.80
4.	April 2017	592,791	1,193.05	1,045.10
5.	March 2017	1,303,146	1,098.00	976.65
6.	February 2017	1,572,726	1,077.20	920.00

The following table sets forth details of the highest and lowest price of Grasim's shares on NSE during the preceding six months:

(in ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly low
1.	July 2017	41,683,868	1,375.00	1,012.15
2.	June 2017	25,787,235	1,267.00	1,091.60
3.	May 2017	34,346,721	1,218.00	1,083.45
4.	April 2017	19,584,150	1,198.90	1,045.10
5.	March 2017	30,000,224	1,098.10	975.80
6.	February 2017	59,348,217	1,077.40	920.00

The closing equity share prices of Grasim as on August 16, 2017 on BSE and NSE were ₹ 1,104.3 and ₹ 1,106.5, respectively.

Promoters of Grasim

1. Kumar Mangalam Birla; and

2. Birla Group Holdings Pvt. Ltd.

Our Promoter Group

Entities forming part of our promoter group in accordance with SEBI ICDR Regulations are:

S. No.	Name
1.	Aditya Vikram Kumar Mangalam Birla HUF
2.	Smt. Rajashree Birla
3.	Smt. Neerja Birla
4.	Smt. Vasavadatta Bajaj
5.	Birla Consultants Limited
6.	Birla Industrial Finance (India) Ltd.
7.	Birla Industrial Investment (India) Ltd.
8.	Birla Institute of Technology & Science
9.	ECE Industries Limited
10.	Hindalco Industries Limited
11.	IGH Holdings Private Limited
12.	Manav Investment & Trading Company Limited
13.	Pilani Investment And Industries Corporation Limited
14.	Rajratna Holdings Private Limited
15.	TGS Investment & Trade Private Limited
16.	Trapti Trading & Investments Private Limited
17.	Turquoise Investments And Finance Private Limited
18.	Umang Commercial Company Private Limited
19.	Vaibhav Holdings Private Limited
20.	Vikram Holdings Private Limited
21.	P.T. Indo Bharat Rayon
22.	P T Sunrise Bumi Textiles
23.	P T elegant Textile Industry
24.	Thai Rayon Public Company Limited
25.	Surya Kiran Investments Pte Limited
26.	Renuka Investments and Finance Limited

Group Companies

In accordance with the SEBI ICDR Regulations and the applicable accounting standard, i.e., Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**"), the following are our Group Companies:

1. **UltraTech Cement Limited ("UltraTech")**
   UltraTech was incorporated on August 24, 2000 under the Companies Act, 1956 and has its registered office situated at B Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. The corporate identification number (CIN) of UltraTech is L26940MH2000PLC128420.

Business Overview

UltraTech is the largest manufacturer of grey cement, ready mix concrete ("**RMC**") and white cement in India. It is also one of the leading cement producers globally. UltraTech as a brand embodies 'strength', 'reliability' and 'innovation'. Together, these attributes inspire engineers to stretch the limits of their imagination to create homes, buildings and structures that define the new India.

The company has an installed capacity of 93 million tonnes per annum ("**MTPA**") of grey cement. UltraTech Cement has 18 integrated plants, 1 clinkerisation plant, 25 grinding units and 7 bulk terminals. Its operations span across India, UAE, Bahrain, Bangladesh and Sri Lanka. UltraTech Cement is also India's largest exporter of cement reaching out to meet the demand in countries around the Indian Ocean and the Middle East.

In the white cement segment, UltraTech goes to market under the brand name of Birla White. It has a white cement plant with a capacity of 0.56 MTPA and 2 WallCare putty plants with a combined capacity of 0.8 MTPA.

With over 100 RMC plants in 35 cities, UltraTech is the largest manufacturer of concrete in India. It also has a slew of speciality concretes that meet specific needs of discerning customers.

Our building products business is an innovation hub that offers an array of scientifically engineered products to cater to new-age constructions. Aerated autoclaved concrete (AAC) blocks are economical, light-weight blocks ideal for high-rise buildings, while dry mix products include waterproofing, grouting and plastering solutions designed for faster completion of projects. The retail format of UltraTech building solutions offers a wide range of construction products to the end customers under one roof.

With a significant presence in the grey and white cement market, concrete and building products segments as well as providing 360 degree building solutions, UltraTech is the one-stop shop for every primary construction need. Its meteoric rise as India's largest cement brand reflects on the organisation's focus on cutting edge technology, research and technical services.

UltraTech provides a range of products that cater to the various aspects of construction, from foundation to finish. These include:

- Ordinary Portland Cement, Portland Blast Furnace Slag Cement and Portland Pozzalana Cement under grey cement
- White cement, WallCare putty and white cement based products under Birla White
- RMC and a range of specialty concretes with specific functional properties under UltraTech Concrete
- AAC blocks, waterproofing solutions, grouting solutions and plastering solutions under UltraTech Building Products

UltraTech's subsidiaries are Dakshin Cements Limited, Harish Cement Limited, Gotan Limestone Khauj Udyog Private Limited, Bhagwati Limestone Company Private Limited, UltraTech Cement Lanka (Pvt.) Ltd., UltraTech Cement Middle East Investments Limited, PT UltraTech Mining Indonesia and PT UltraTech Investments Indonesia.

Capital Structure

The authorized equity share capital of UltraTech is ₹ 2,800,000,000 divided into 280,000,000 equity shares of ₹ 10 each. As on June 30, 2017, the issued, subscribed and paid-up equity share capital of UltraTech is ₹ 2,745,228,350 divided into 274,522,835 equity shares of ₹ 10 per share.

Shareholding Pattern

The shareholding pattern of UltraTech as on June 30, 2017 is as follows:

Description	Number of Equity Shares	Percentage of shareholding
Promoter and Promoter Group	170,595,544	62.14

Public	103,927,291	37.86
Total	**274,522,835**	**100**

Financial Information

The operating results of UltraTech for the last three fiscal years are as follows:

(in ₹ Cr., except per share data)

Particulars	**Financial Year ended**		
	March 31, 2017#	**March 31, 2016#**	**March 31, 2015**
Equity capital	275	274	274
Reserves and surplus (excluding revaluation reserve)	23,667	21,357	18,583
Sales and Other Income	27,162	26,947	25,990
Profit/(Loss) after tax	2,628	2,370	2,015
Book Value per share (₹)	872	788	687

 # The financial information for the fiscal years 2017 and 2016 is based on financial statements prepared as per Ind AS while financial information for the fiscal year 2015 is based on financial statements prepared as per Indian GAAP.

2. Idea Cellular Limited ("Idea")

Idea was incorporated on March 14, 1995 under the Companies Act, 1956 and has its registered office situated at Suman Tower, Plot No.18, Sector-11, Gandhinagar, Gujarat—382 011. The corporate identification number (CIN) of Idea is L32100GJ1996PLC030976.

Business Overview

Idea is a part of the Aditya Birla Group. Idea is a pan-India integrated GSM operator offering 2G, 3G and 4G services, and has its own national long distance and international long distance operations, and internet service provider license. Idea is one of the top three mobile operators in India, with an annual revenue in excess of USD 5 billion and a revenue market share of 19%. With nearly 200 million subscribers, Idea ranks sixth in the global rankings of operators in subscriber terms, for single country operations.

In line with the Government's vision of digital India, Idea has accelerated its efforts of building a digital economy. Backed with a pan-India wireless broadband coverage, Idea has forayed into digital services with the launch of a suite of digital entertainment apps – 'Idea Music Lounge', 'Idea Movie Club' and 'Idea Game Spark'. With this the company has begun its transformation from a pure play mobile operator to an integrated digital services and solutions provider. Idea will also expand its digital offerings into digital communication, digital payments, cloud and storage, digital information and many more.

Idea's pan-India network covers over 400,000 towns and villages across the country. The company is further expanding network infrastructure to make high speed mobile broadband services reach out to over a billion population of the country. Idea executed the fastest 4G roll-out in the country in 2016 with one broadband site being installed every ten minutes and thereby taking the overall tally of Idea sites to nearly 230,000 and a fibre network of over 128,000 kilometers.

Using the latest technology, Idea provides world-class service delivery through the most extensive network of customer touch points, comprising of 8,780 exclusive Idea outlets, call centre, digital apps and social media. Idea's commitment to providing superior customer experience across all touch points has helped it top the Customer Satisfaction Survey consistently, for the last few years. The leading market research firm Forrester in its 'Customer Service Index 2016' has ranked Idea at the top position in customer service and rated it as "good" which makes Idea the only wireless service provider to achieve this feat.

Capital Structure

The authorized equity share capital of Idea is ₹ 67,750,000,000 divided into 6,775,000,000 equity shares of ₹ 10 each and 1,500 redeemable cumulative non-convertible preference shares of ₹ 10 million each. As on June 30, 2017, the issued, subscribed and paid-up equity share capital of Idea is ₹ 36,064,114,020 divided into 3,606,411,402 equity shares of ₹ 10 per share.

Shareholding Pattern

The shareholding pattern of Idea as on June 30, 2017 is as follows:

Description	Number of Equity Shares	Percentage of shareholding
Promoter and Promoter Group	1,528,847,547	42.39
Public	2,077,563,855	57.61
Total	**3,606,411,402**	**100.00**

Financial Information

The operating results of Idea for the last three fiscal years are as follows:

(in ₹ billion, except per share data)

Particulars	Financial Year ended		
	March 31, 2017#	March 31, 2016#	March 31, 2015
Equity capital	36.0	36.0	36.0
Reserves and surplus (excluding revaluation reserve)	211.3	199.5	194.3
Sales and Other Income	358.8	361.6	320.4
Profit/(Loss) after tax	-4.0	27.3	31.9
Book Value per share (₹)	68.7	65.4	64.0

 # The financial information for the fiscal years 2017 and 2016 is based on financial statements prepared as per Ind AS while financial information for the fiscal year 2015 is based on financial statements prepared as per Indian GAAP.

3. Aditya Birla Idea Payments Bank Limited ("ABIPBL")

ABIPBL was incorporated on February 19, 2016 under the Companies Act, 2013 in the state of Maharashtra at Mumbai and has its registered office situated at A4, Aditya Birla Centre, S K Ahire Marg, Worli Mumbai—400 030. The corporate identification number (CIN) of ABIPBL is U65923MH2016PLC273308.

Business Overview

ABIPBL has been incorporated with the object of carrying on the business of a payments bank as permitted by the Reserve Bank of India. Its main object, *inter alia*, includes carrying on the business of banking by accepting current deposits and savings bank deposits from individuals, small businesses, other entities and public, as permitted by the Reserve Bank of India from time to time, repayable or withdrawable on demand.

At present, ABIPBL is in the process of commencing its operations as a payments bank.

Capital Structure

The authorized equity share capital of ABIPBL is ₹ 1,500,000,000 divided into 150,000,000 equity shares of ₹ 10 each. As on August 16, 2017, the issued, subscribed and paid-up equity share capital of ABIPBL is ₹ 1,451,005,470 divided into 145,100,547 equity shares of ₹ 10 per share.

Shareholding Pattern

The shareholding pattern of ABIPBL as on August 16, 2017 is as follows:

S. No.	**Names of Equity Shareholders**	**Number of Equity Shares**	**Percentage of shareholding**
1.	Grasim Industries Limited	127,484,857	87.86
2.	Shriram Jagetiya as a Nominee of Grasim Industries Limited	10	0.00
3.	Ashok Malu as a Nominee of Grasim Industries Limited	10	0.00
4.	Idea Cellular Limited	17,615,640	12.14
5.	Akshaya Moondra as a Nominee of Idea Cellular Limited	10	0.00
6.	Pankaj Kapdeo as a Nominee of Idea Cellular Limited	10	0.00
7.	Vineet Choraria as a Nominee of Idea Cellular Limited	10	0.00
	Total	**145,100,547**	**100.00**

Financial Information

The operating results of Aditya Birla Idea Payments Bank Limited are as follows:

(in ₹ million, except per share data)

Particulars	**Financial Year ended**		
	2017[(1)]	**2016**	**2015**
Equity capital	1,365.65	NA	NA
Reserves and surplus (excluding revaluation reserve)	(267.54)	NA	NA
Sales and Other Income	28.052	NA	NA
Profit/(Loss) after tax	(352.06)	NA	NA
Book Value per share (₹)	8.04	NA	NA

[(1)]*Since ABIPBL was incorporated on February 19, 2016, the first financial statements had been prepared for the period February19, 2016 to March 31, 2017 as per IND AS and the financial information included herein is based upon such financial statements.*

DIVIDENDS

In the last five fiscal years, our Company has not paid any dividend. The amounts of dividends in the past are not indicative of our Company's dividend policy or dividend amounts, if any, in future.

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the following:

- stability of earnings of our Company;
- cash flow position from our operations;
- future capital expenditure, inorganic growth plans and reinvestment opportunities of our Company;
- industry outlook and stage of business cycle for our underlying businesses;
- leverage profile and capital adequacy metrics;
- overall economic and regulatory environment;
- contingent liabilities of our Company; and
- capital requirements of our Subsidiaries.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to fund requirements for our business activities.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

PLEASE SEE PAGES F-1 TO F-216

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SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except for any outstanding (i) criminal proceedings, (ii) regulatory proceedings, (iii) tax related matters against our Company and its Subsidiaries, for the purpose of disclosure in this Information Memorandum, our Board has considered as material each such case involving our Company and Subsidiaries, where the aggregate amount involved individually exceeds ₹ 250 million which is less than five percent of the profit after tax of our Company as per the consolidated financial statements of our Company for the most recent fiscal year (fiscal year 2017).

A. Litigation involving our Company

Civil Cases

There are no pending legal proceedings by our Company.

Criminal Proceedings

There are no pending legal proceedings against our Company.

Tax Proceedings

- Our Company filed return for assessment year 2014-2015 which was later revised. The case was selected for scrutiny and the assessment order was passed by the income tax department on December 19, 2016. In the course of passing such assessment order, the assessment officer has considered total income as per original return of income instead of revised return of income. Aggrieved by such assessment order, our Company filed a petition for rectification of demand under Section 154 of the Income Tax Act on January 13, 2017 and simultaneously, also filed an appeal before commissioner of income tax (appeal) for passing order as per the revised return. In the revised return, business loss for the year was computed as ₹ 0.78 million and unabsorbed business loss and depreciation to be carried forward was computed for ₹ 10.62 million. The rectification and the appeal is currently pending.

- Our Company filed an e-return for assessment year 2015-2016 on September 25, 2014 and the case was selected under computer-assisted scrutiny selection. Our Company received notice dated June 20, 2016 under Section 143(2) of the Income Tax Act from the income tax department. Subsequently, our e-return was revised on March 18, 2017. The matter is pending for scrutiny assessment before the deputy commissioner of income tax.

Regulatory actions in the last five years against our Company

No regulatory actions were taken against our Company in the last five years.

Material Frauds against our Company

There have been no material frauds committed against our Company in the five years preceding the date of this information memorandum.

Small Scale Industries

Our Company does not owe any small scale undertakings any amounts which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

Statutory Dues

As of the date of this Information Memorandum, there have been no: (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) overdues to companies or financial institutions by our Company, or (iii) defaults against companies or financial institutions by our Company.

B. Outstanding Litigations of Subsidiary Companies

1. Aditya Birla Finance Limited ("ABFL")

Cases field against ABFL

Criminal cases

The Enforcement Directorate ("**ED**") has issued a show cause notice to ABFL under Section 8 of PMLA. The properties of Rossette leasing, Upright Leasing and Oak Leasing ("**Borrowers**") were attached and the escrow accounts have been frozen by ED. The Adjudicating Member of ED passed the order confirming provisional attachment order. Subsequently, ABFL filed an appeal for interim relief of defreezing the account before the Appellate Tribunal, Delhi which has been granted on July 27, 2017. The matter is currently pending for final hearing on September 21, 2017. This is a case filed by the Enforcement Directorate against the borrowers mentioned above.

ABFL is neither an accused nor a complainant. ABFL is a formal party to the case being the lender to the borrowers mentioned above.

Civil cases

M/s Biotor Industries Limited ("Biotor") filed a suit against ABFL alleging fraud in connivance with employees of Biotor. This is a civil matter for a claim made by Biotor Industries against multiple persons, including financial institutions, amongst which ABFL is one of them. ABFL has filed its written statement denying all the allegations of the plaintiff. The matter is pending before Bombay High Court and the amount claimed is ₹3,900 million against various lenders including ABFL. ABFL has recovered its dues in section 138 proceedings against the plaintiff.

Cases filed by ABFL

Criminal cases

(i) ABFL has filed criminal complaint against Divyani Sarnaik on March 1, 2013 in relation to dishonour of cheques under section 138 of Negotiable Instrument Act, 1881 before 33rd Ballard Pier Court. The amount involved in the instant case is ₹100 million.

(ii) ABFL has filed criminal complaint against PSL Limited ("**PSL**") for non-payment of dues and account delinquency, fabrication of document under Section 156(3) of CRPC. PSL filed revision petitions before Additional Sessions Court, Patiala House. The revision petitions were dismissed by Patiala House Sessions Court. Aggrieved by the order, PSL has filed three writ petitions before the High Court of Delhi. The amount involved in the instant case is ₹ 340 million.

(iii) On the suspicion of forged documents being submitted by the borrowers, ABFL had registered a first information report against Amrainder Singh Gorwara, Sahil Gorwara, Arvinder Singh Gorwara (now deceased) and Dalpreet Kaur (the "**Borrowers**"). Sahil Gorwara and Dalpreet Kaur had been arrested and remanded to judicial custody. Amrainder Singh Gorwara, the main accused is still absconding. Enforcement Directorate has registered a first information report against the borrowers. The matter is pending.

(iv) ABFL has filed a complaint against C.E. Fernandes under section 138 of the Negotiable Instruments Act, 1881. The amount involved is ₹34 million and the matter is pending before Metropolitan Magistrate Court, Mumbai.

(v) There are 18 cases filed by ABFL under section 138 of the Negotiable Instruments Act, 1881 and section 25 of the Payments and Settlement Act, 2007 amounting to ₹222.72 million.

Civil cases

(i) In relation to non-payment of dues by ICSA to various lenders, proceedings are pending before BIFR wherein ICSA has been declared sick. SBI has been appointed as an operating agency. BIFR directed SBI to do a techno-economic viability study and ICSA to submit revised proposal. SBI had rejected restructuring proposal given by company. BIFR had directed all lenders to restrain from taking any coercive action. The amount involved in the instant case is ₹ 300 million.

(ii) ABFL has filed civil complaint against C E Fernandes for the default in payments of EMI with respect to LAP facility availed by him. ABFL has invoked arbitration proceedings to claim the outstanding amount post recall of the loan. ABFL has received an award which is pending for execution. ABFL has also initiated proceedings under SARFAESI Act to attach and auction the mortgaged property to recover the dues. The amount involved in complaint under SARFAESI Act is ₹286 million and ABFL has received possession order.

(iii) ABFL invoked arbitration against M/s. Vasan Healthcare Private Limited and filed statement of claim before sole arbitrator. The borrower failed to file their written statement and the award was pronounced in ABFL's favour on March 20, 2017. The execution of the award is pending as ABFL has initiated proceedings under SARFAESI Act against the Customer. The amount involved in the instant case is ₹280 million.

(iv) ABFL has jointly with other lenders filed a suit against Brahmani River Pellets Limited ("**BRPL**") and other co-borrowers to obtain an injunction against certain third party payments by the BRPL. The amount involved in the instant case is ₹287.80 million.

(v) ABFL had filed an execution proceeding against Coastal Projects Limited and its promoter S. Surendra (together "**Counter Parties**") on the basis of an award received by ABFL from a sole arbitrator against the Counter Parties. The matters are for an amount of ₹797.23 million. The matter is still pending.

Tax Litigation

There are 16 income tax matters involving ABFL in relation to assessment years 2000-2001 to 2014-2015 including in relation to disallowance of depreciation on intangibles, reimbursements, contributions to provident fund, CENVAT credit, MODVAT credit, interest on NPAs, etc. The aggregate amount involved is ₹ 76.62 million.

The deputy commissioner of service tax (audit) has imposed service tax liability amounting to ₹ 37.05 million in relation to disallowance of 50% CENVAT reversal. ABFL has filed an appeal with Commissioner of Service-tax.

Additional commissioner of service tax (audit) has issued a service cause cum demand notice for recovery of penal/default interest in relation to service tax. The amount involved is ₹ 6.98 million.

2. Aditya Birla Sun Life Insurance Company Limited ("ABSLI")

Civil Cases

There are no individual cases of civil nature pending before any forum amounting to ₹ 250 million and above. In the course of life insurance business of ABSLI, there are civil cases which are filed by policy holders/their nominees before various consumer courts, insurance ombudsman and other judicial forums/courts, which are related to insurance claims, mis-selling of policies and service matters claiming deficiency of services. As on July 31, 2017, 1,461 policy holders related cases are pending before different forums at various stages of litigation out of which 1,272 cases have been filed against ABSLI and 189 Cases which are filed by ABSLI by way of appeals/revisions. These cases have an outstanding liability of approximately ₹ 1,064.7 million in aggregate out of which ABSLI's liability stands at approximately at ₹ 441.4 million.

There are also 34 non-policy holders related cases which are pending at different stages before different judicial and quasi judicial forums, out of which 11 cases are filed by ABSLI and 23 cases are filed against ABSLI and have an outstanding liability of approximately ₹ 146.4 million in aggregate. All these cases have been duly accounted for in the books of account and also disclosed suitably under contingent liability in accordance with the accounting standards / accounting policy in the balance sheet of ABSLI.

There are 14 labour matters which are also pending in courts at different stages and have been primarily filed for recovery of salaries and for reinstatement, which are not material in nature.

Criminal Proceedings

There are 10 criminal cases which are pending before different courts for disposal which were filed by the policyholders against ABSLI and its directors and there is 3 criminal case filed by ABSLI.

Direct Tax Litigations

There is an appeal filed by ABSLI before commissioner of income tax (appeals) in relation to disallowance of dividend income of ₹ 15,344 million and under Section 14A (Protective basis) on account of which demand of ₹ 285.7 million was raised.

Indirect Tax Litigations

(i) There are matters against ABSLI in relation to sharing of service tax on commission with paid to agents pending before the commissioner of service tax and the total amount involved in these cases is ₹ 15,71.04

(ii) There is a matter in relation to reversal of cenvat in respect of traditional endowment products and ULIP charges. Partial relief was granted at first appeal and an appeal was filed at tribunal. The original demand for this matter was ₹ 982.7 million which was reduced to ₹173.8 million.

(iii) In relation to applicability of service tax on surrender, foreclosure, reinstatement and discontinuous charges, ABSLI received a negative order and filed an appeal on September 7, 2016 after paying ₹ 201.7 million under protest. The amount involved in the instant case is ₹ 358.1 million.

3. Aditya Birla PE Advisors Private Limited ("ABPE")

Tax Litigations

There is one direct tax litigation amounting to ₹109 million in respect of assessment year 2012-13 where appeal is filed by the ABPE against certain disallowances and adjustments made by the income tax assessing officer.

4. Aditya Birla Financial Shared Services Limited ("**ABFSSL**")

Tax litigation

There are three income tax matters involving ABFSSL in relation to disallowance of depreciation on lease asset purchase and other miscellaneous disallowance. The aggregating amount involved is ₹ 4.8 million.

5. Aditya Birla Money Limited ("ABML")

Criminal Litigation

Cases filed by ABML

There are 10 criminal matters filed by ABML against various persons. The aggregate amount involved is ₹ 16.31 million. These matters are currently pending.

Cases filed against ABML

There are nine criminal complaints pending against ABML by various parties. The aggregate amount involved in these matters is ₹18.97 million and these matters are currently pending.

Regulatory Actions

(i) State Government of Karnataka issued a notice of demand seeking payment of ₹. 9.60 million towards unpaid stamp duty on transactions carried out by clients of ABML between the years 2003 and 2008. In March 2011, the State Government of Karnataka rationalized the stamp duty by introducing an upper cap of ₹50 per contract note and ABML has been remitting stamp duty regularly post rationalization. No further action has been initiated by the State Government of Karnataka on the said notice.

(ii) Provident Fund authorities carried out inspection of the books of ABML in July 2011 and issued a report stating that due to non-inclusion of certain components like special allowance, medical allowance, educational allowances, leave travel allowance etc. while computing and remitting the employer and employees' contribution to provident fund has led to a shortfall in remittance and had raised a demand of ₹ 14.00 million and this demand was upheld by the Provident Fund Commissioner. ABML has filed a writ petition in the Madras High Court seeking quashing of the order of Provident Fund Commissioner and conditional stay has been granted upon payment of 25% of the demand. The matter is currently pending.

Tax Litigation

There are 10 direct tax matters involving ABML with respect to disallowance of depreciations on certain assets. The aggregate amount involved is ₹ 24 million and the matters are currently pending.

There are five service tax matters which are pending with respect to suppressing of taxable services. The aggregate amount involved is ₹ 0.71 million and these matters are currently pending.

6. Aditya Birla Commodities Broking Limited ("ABCBL")

Tax Litigation

There are two VAT cases amounting to ₹0.11 million.

7. Aditya Birla Money Mart Limited ("ABMML")

Tax litigation

There are one pending indirect tax matter amounting to ₹ 0.91 million.

8. Aditya Birla Money Insurance Advisory Services Limited ("ABMIASL")

Tax litigation

There is one direct tax matter pending before commissioner of income tax amounting to ₹ 1.53 million.

9. Aditya Birla Insurance Brokers Limited ("**ABIBL**")

Tax litigation

There is one income tax matter for disallowance of certain expenses amounting to ₹ 0.29 million. The matter is pending before the assessing officer.

The commissioner of service tax issued a show cause notice to the ABIBL, with a demand amounting to ₹ 8.92 million along with the interest and the penalties for non-payment of service tax and suppressing the details of service tax on the income generated from re-insurance brokerage from foreign re-insurers during the period from April 1, 2009 to June 30, 2012. ABIBL has responded to this demand contending that the said income has been generated on export of services which is exempted from service tax. The matter is currently pending.

The Directorate General of Central Excise Intelligence, Chennai zonal unit issued a show cause notice to ABIBL, along with a demand of service tax amounting to ₹ 63.82 million for availing ineligible CENVAT credit on invoices issued by dealers and car manufacturers during the period from June 2012 to August 2015. ABIBL replied to the show cause notice contending that ABIBL is eligible to avail CENVAT credit as per service tax law. The matter is currently pending.

10. Aditya Birla MyUniverse Limited ("ABMUL")

Tax proceedings

ABMUL had filed three refund applications for service tax of amounts ₹ 4.40 million paid under reverse charge mechanism for the period of November 2012 and June 2013 with respect to services imported from Yodlee Inc. This refund application was rejected by an order of assistant commissioner of service tax, and ABMUL, aggrieved by this, has filed an appeal to commissioner of service tax. The matter is currently pending.

ABMUL has filed a refund application for service tax of ₹ 13.10 million paid under reverse charge mechanism for the period of July 2013 and March 2016 with respect to services imported from Yodlee Inc. This refund application was rejected by an order of assistant commissioner of service tax, and ABMUL, aggrieved by this, has filed an appeal to commissioner of service tax. The matter is currently pending.

ABMUL had filed a refund application for service tax of ₹ 1.90 million paid under reverse charge mechanism for the period of January 2016 and June 2016 with respect to services imported from Yodlee Inc. The refund application was rejected by an order of assistant commissioner of service tax.

ABMUL has filed a refund application for service tax of ₹ 3.80 million paid under reverse charge mechanism for the period of July 2016 and November 2016 with respect to services imported from Yodlee Inc. The refund application is pending before assistant commissioner of service tax.

11. **Aditya Birla Sun Life AMC Limited ("ABSLAMC")**

Civil Cases

There are no individual cases of civil nature pending before any forum amounting to ₹ 250 million and above. In respect of the business of ABSLAMC not pertaining to real estate, there are 19 pending civil cases which are filed before various consumer courts and other judicial forums/courts, which, *inter alia*, include applications under the Arbitration and Conciliation Act, 1996, suits for injunction, suits claiming tortious damages, suits for partition, succession matters, and service matters claiming deficiency of services. In respect of the business of ABSLAMC pertaining to real estate, there are three pending civil cases which are filed before various consumer courts, arbitral tribunals and other judicial forums/courts which include a suit claiming refund of the amount invested, arbitration proceedings initiated and a petition under the Arbitration and Conciliation Act, 1996.

As on June 30, 2017, the aggregate amount involved in such civil cases is approximately ₹ 151.7 million.

Tax Litigation

Direct Tax Litigation

There are five income tax matters involving ABSLAMC in relation to assessment years 1995-96 to 2000-2001 in relation to disallowing initial issue expenses on the alleged contention that the same were capital in nature. The aggregate amount involved is ₹ 40.20 million.

There are two income tax matters involving ABSLAMC in relation to the assessment years 2013-2014 to 2014-2015 in relation to disallowing of leave encashment provision. The aggregate amount involved is ₹ 3.52 million.

Indirect Tax Litigation

Assistant Commissioner of Central Excise & Service Tax, Mumbai-III, has issued a show cause cum demand notice for the fiscal years 2014 and 2015 for recovery of Cenvat Credit claimed based on Challan. The amount involved is ₹ 0.59 million.

Company have filed case against Deputy Commissioner of Central Excise & Service Tax (Refund II), Mumbai-III, for short Interest received on Pre-Deposit for the fiscal years 2007 to 2013. The amount involved is Rs 0.49 million.

12. **Aditya Birla Housing Finance Limited ("ABHFL")**

Civil Cases

There are no individual cases of civil nature pending before any forum amounting to ₹ 250 million and above. There are five pending civil cases which are filed before various consumer courts and other judicial forums/courts, which, *inter alia*, include claims for refund, consumer complaints and suits pertaining to infringement of intellectual property.

C. Outstanding Litigations of our Promoter

Details of disciplinary action which has been taken by the stock exchanges and regulatory authorities on Grasim

1. The Competition Commission of India ("**CCI**") initiated investigation against all Man-Made Fibre ("MMF") manufacturers. While all MMF manufacturers were cleared for violation of Section 3 of Competition Act, 2002 but stripped down relevant market to VSF and initiated enquiry against Grasim for possible abuse of dominance. Grasim's contention that the DG exceeded its authority were accepted by Single Judge Bench in the High Court, which has been challenged by CCI. The matter is still pending.

2. The CCI initiated investigations against PAC manufacturers (erstwhile ABCIL & Grasim Industries Limited) for cartelization in bidding for the Delhi Jal Board tender. The matter is still pending.

3. In proceedings initiated by the West Bengal State Electricity Board, Jayashree Textiles, a unit of ABNL (now merged with Grasim) filed an appeal (1130 of 1999) dated April 5, 1999 against an order passed by the District Manager, Hooghly in relation to 132 KV transmission line & energization of electricity. The High Court of

West Bengal at Kolkata in its order dated December 17, 1998 stayed the operation of the order passed by the District Manager, Hooghly.

4. The Forest Department charged clinker as forest product and subsequently a notice was issued to Grasim. Further, the Allahabad High Court in its judgment dated November 11, 2011 (Civil Miscellaneous Writ Petition No 1880 of 2009) defined clinker as a forest produce. However, an SLP was filed in the Supreme Court of India and a stay order dated May 10, 2012 was procured. The matter involves a sum of ₹ 428.1 million and is currently pending.

Details of litigations against Grasim and its subsidiary companies with amount involved of ₹ 50 million and above

1. A suit for recovery of dues for failure in performance of the contracts given to the supplier (Case No. 124 of 2000) was filed on May 6, 2000 by Modern Malleables Limited against Aditya Birla Insulators, a unit of ABNL (now merged with Grasim). The suit involved a sum of ₹ 59.2 million and is currently pending for hearing at the High Court of West Bengal, at Kolkata.

2. The Government of Madhya Pradesh levied an energy development cess on Grasim at ₹ 1.5 paise per unit vide notification dated August 8, 2011. The matter is currently pending and involves a liability of ₹ 52.5 million.

3. The central excise department levied a 10% duty on the total electricity sold and transferred by Grasim to the chemical division, colony, etc and the proportionate credits on the inputs and input services were not reversed by Grasim. The principal amount involved in this proceeding amounted to a total of ₹ 261.3 million along with an additional interest of ₹ 419.8 million and a penalty of ₹ 261.3 million. An order in the favor of Grasim was given by the Customs, Excise and Service Tax Appellate Tribunal on July 13, 2015 and subsequently an appeal was filed by the department against the said order in the High Court in 2017 (Central Excise Appeal No.12/2016). The matter is currently pending before the High Court.

4. A show cause notice dated December 24, 2013 pertaining to customs classification on imported coal, steam coal versus bituminous coal during the period of import from March 17, 2012 to December 31, 2012, was issued to Grasim. Differential duty of ₹ 26.4 million, interest of ₹ 15.4 million, a redemption fine of ₹ 25 million and a penalty of ₹ 4 milliion was levied on Grasim. The defence submission was filed by Grasim on January 30, 2014 and subsequently an amount of ₹ 2.5 million was deposited under protest. Further, an appeal was filed before the Commissioner of Appeals (Customs) and out of the total liability, an amount of ₹ 2.5 million was paid as differential duty (CVD). Subsequently, an amount of ₹ 10.67 million as differential duty (CVD) was paid by Grasim. However, the appeal before the Commissioner of Appeals (Customs) was rejected and subsequently another appeal was filed before the Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad. Further an amount of ₹ 2.6 million was also paid under protest on January 23, 2015. Subsequently, the case was clubbed with several matters and was referred to a larger bench in 2015. The total liability under this matter amounts to ₹ 57.6 million and the final order is still pending under this case.

5. The government of Karnataka enacted the "Karnataka Special Tax on Entry of Goods Act, 2004" with effect from October 1, 2004. By virtue of this enactment, a 'Special Entry Tax' was levied at different rates on certain commodities. The same was challenged by Grasim by filing Writ Petition on December 3, 2004 on the ground of discrimination of free flow of goods and trade in the state. The High Court decided on March 29, 2007 in Grasim's favour. Subsequently, against the above order, the government of Karnataka filed a writ appeal before the Division Bench of the High Court of Karnataka. The appeal is yet to be heard as the matter was case adjourned. In the event of unfavorable decision, there will be a liability of interest @18% per annum amounting to ₹ 54.25 million and the same has not been provided in the books of Grasim so far. Meanwhile, the Hon'ble Supreme Court of India had constituted larger bench for deciding validity of entry tax imposed by many state governments. A larger bench commenced hearing on this matter from July 18, 2016 onwards and finally delivered its decision on November 11, 2016, directing the respective bench (Supreme Court regular bench or High court, wherever the matter is pending) to decide the matter on the ground of discrimination. Hence, the matter shall attain finality only when the respective bench takes up the matter for hearing. The total amount involved in this proceeding is ₹ 100 million.

6. From 2004-05 to September 2008, goods were sold on FOR sales basis and in the invoices, freight elements was shown separately and service tax was charged on the freight element. Additionally, the vehicles were also arranged on behalf of buyers and the transporter had made GRN in the name of buyers as consignee. As a result, the Commissioner of central excise issued a show cause notice on the basis that goods are being sold at FOR

destination prices and the possession of goods is given to buyers at destination. It was further contended that sales take place when delivery is given at destination and hence destination is the place of removal. Aggrieved by the order Commissioner of Central Excise, Grasim moved to has moved to Customs, Excise and Service Tax Appellate Tribunal, Kolkata for relief. The matter is currently pending and involves a liability amounting of ₹ 184.8 million.

7. The matter was filed in relation to entry tax payment by Grasim under the Entry of Goods Act 2000 and 2007 for the period starting from April 1, 2006 to December 31, 2016 involving a total liability of ₹ 174.7 million. The matter is currently pending.

8. The matter was filed in relation to demand of excise duty on clearance of waste and scrap of capital goods due to non-payment of excise duty during the period starting from April 1, 2008 to March 31, 2013. The Commissioner, Central Excise confirmed such demand and imposed penalty of ₹ 42.5 million along with an interest of ₹ 13.3 million. The matter is currently pending.

9. The matter was filed in relation to demand of excise duty from M/s PCAL for non-inclusion of margin of profit in determination of assessable value for payment of excise duty. The total liability constitutes a principal amount of ₹ 44.6 million along with an interest of ₹ 18.9 million. The matter is currently pending.

10. The Commissioner of central excise issued a show cause cum demand notice for making payment of service tax of GTA services through CENVAT credit instead through PLA during the period starting from January 2005 to August 2007. The total liability constitutes a principal amount of ₹ 40.6 million along with an interest of ₹ 19.6 million. The matter is currently pending.

11. Steam was transferred / sold to the chemical division, colony, and other units, etc. by Grasim and subsequently there was non-reversal of the proportionate credit on inputs and input services. As a result, the Central Excise department levied a 10% duty on the total steam sold / transferred for a period starting from August 2006 to March 2008. The Commissioner of Central Excise confirmed the demand vide order dated September 20, 2016. The matter is currently pending and an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Delhi is filed on December 20, 2016 against the order of the commissioner. The principal amount involved in this proceeding amounted to a total of ₹ 19.6 million along with an additional interest of ₹ 30 million and a penalty of ₹ 19.6 million.

12. Proceedings against Aditya Birla Nuvo Limited (now merged with Grasim) in relation to certain issues in the Assessment Year 2007-08 including provision for leave encashment, pension liability and ESOP expenses has been initiated. The matter involves a total liability of ₹ 8.4 crores and is currently pending for admission before the Bombay High Court.

13. Proceedings against Aditya Birla Nuvo Limited (now merged with Grasim) in relation to certain issues in the Assessment Year 2009-10 including provision for disallowance, CER and depreciation on goodwill has been initiated. The matter involves a total liability of ₹ 53.5 million and is currently pending for admission before Mumbai ITAT.

14. Proceedings against Aditya Birla Nuvo Limited (now merged with Grasim) in relation to certain issues in the Assessment Year 2010-11 including provisions for disallowance, pension liability, subsidy interest, certain disallowances including leave encashment, certain expenses allocated to power plant, guarantee commission, inclusion of MODVAT in stock valuation and depreciation on goodwill has been initiated. The matter involves a total liability of ₹ 161.7 million and is currently pending for admission before Mumbai ITAT.

15. Proceedings against Aditya Birla Nuvo Limited (now merged with Grasim) in relation to certain issues in the Assessment Year 2011-12 including provisions for disallowance, CER, pension liability, subsidy interest, disallowance u/s 40a (ia), leave encashment, cetain expenses allocated to power plant, guarantee commission, inclusion of MODVAT in stock valuation, catalyst and depreciation on goodwill has been initiated. The matter involves a total liability of ₹ 345.5 million and is currently pending for admission before Mumbai ITAT.

16. Proceedings against Aditya Birla Nuvo Ltd. (unit Indian Rayon) for payment of differential excise duty on processing of yarn cake to cone at Bhestan under Notification 30/2004-CE dated July 9, 2004. The matter involves a total liability of ₹ 77.2 million and is currently pending at Mumbai CESTAT.

D. **Outstanding Litigations of our Group Companies**

UltraTech Cement Limited ("UltraTech")

A. Details of disciplinary action which has been taken by the stock exchanges and regulatory authorities on Ultratech

1. UltraTech received a notification from Geology & Mines Department, Government of Gujarat regarding advance payment of royalty. Since, UltraTech treated it as weekly advance instead of a quarterly advance, a demand notice for ₹40.30 million was sent by the department. This matter is currently pending.

2. The Commissioner of Geology & Mining had fixed the royalty rate on marl at ₹ 2 pmt for the financial year 1999-2000 and at ₹ 4 pmt from April 2000 to March 2003 by an order dated March 5, 2004. The computation of royalty on Marl, the pit mouth sell value has to be worked out in accordance with the memorandum no. MCR/1561/ 67629/G-2 dated October 11, 1963 and guidelines given under rule 64-D of MCR, 1960, inserted vide Government of India notification no. GSR 743 (E) dtd. September 25, 2000 and accordingly the royalty on marl had been arrived till date. As per the said provisions, the royalty rate is required to be revisited once in a 4 years. Up to March 2003, the rate was arrived at ₹ 12 based on pit mouth sell value. Subsequently, the Commissioner of Geology & Mines has issued a letter to the District Collector on March 1, 2006 to revise the royalty rate on marl with effect from April 1, 2003 from ₹ 4 pmt to ₹ 20 pmt based on opportunity cost assumption, reasoning that the marl contains 30% CaO level as against 45% CaO available in limestone. The total liability of involved under these proceedings amount to ₹180.10 million and the matter is currently pending.

3. While granting renewal permission for DG no. 7, 8 and 9, the Madhya Pradesh Electricity Regulatory Commission ("**MPERC**") imposed condition on UltraTech to use minimum Madhya Pradesh State Electricity Board's power to the extent of equivalent units generated by these DG sets. Accordingly, Madhya Pradesh State Electricity Board raised demand towards less consumption of the board's power. Subsequently, UltraTech filed an appeal before High Court against the order of MPERC and obtained stay order dated November 18, 2003. The total liability involved in this matter amounts to ₹781.50 million and the matter is currently pending.

4. The MPERC, in one of its matter, vide order dated December 31, 2012, had determined to levy parallel operation charges at ₹ 20 per KVA per month on the capacity of CPP (after deducting load pertaining to auxiliary consumption) connected to the grid. The impact of the levy on VCW was ₹ 1,035,000 per month. As a result, UltraTech had received demand letters dated March 25, 2013 and April 8, 2013 from Madhya Pradesh Power Transmission Company Limited, Jabalpur for ₹ 2,070,000 and ₹ 1,035,000 for the months of January, February and March of 2013. The amount was payable within 60 days from the date of the invoice and MPPTCL reserved the rights to withdraw the facility of parallel operation. Hence, UltraTech deposited the demand under protest and subsequently filed a writ petition in the High Court. The matter came up for hearing on September 16, 2013 and the Hon'ble High Court vide its order dated September 16, 2013 stayed the demand subject to payment of 50% of demand and directed to deposit the recurring current charges regularly in accordance with the aforesaid terms. Accordingly, UltraTech has been paying 50% of demand, on receipt of invoice from Madhya Pradesh Power Transmission Company Limited, Jabalpur, within the stipulated period. Subsequently, in a similar matter, the division bench of Andhra Pradesh High Court held that the state commission constituted under the Reforms Act has now power to levy grid charges and an SLP is pending before Supreme Court against this judgement of the Andhra Pradesh High Court. Hence in interim order dated August 12, 2015, the Madhya Pradesh High Court opined that it would be proper to decide the controversy about the maintainability of writ petitions and miscellaneous appeals after

the decision of the Supreme Court in the SLP filed against the judgement of Andhra Pradesh High Court and list the case after three months. Subsequently, the Madhya Pradesh Power Transmission Company Ltd, Jabalpur filed a writ appeal before double bench of Madhya Pradesh High Court against the interim order dated August 12, 2015 of the Madhya Pradesh High Court. The Madhya Pradesh High Court vide its order dated May 23, 2016 disposed-off the petition with a liberty to avail alternative remedy of appeal under section 111 of Electricity Act, 2003. Further, an appeal was filed on July 8, 2016 and the matter is currently pending before appellate tribunal. The total liability involved in this matter amounts to ₹59.00 million.

5. The Madhya Pradesh State Electricity Board ("**MPSEB**") imposed tariff minimum charges on UltraTech without having such power to do so. Additionally, the High Court of Madhya Pradesh in other case held that though the tariff minimum charge levied is not correct, the decision shall be effective prospectively. Further, the amount was already deposited under protest and the case was dismissed with direction to approach the Redressal Forum, Indore. A case was filed at the Redressal Forum, Indore and UltraTech's appeal was rejected. Further, a case was filed before the Electricity Ombudsman, Bhopal and the decision of the same was not in the favour of UltraTech. Subsequently, a writ petition was filed at the Madhya Pradesh High court, Indore Bench on March 27, 2015 and the case was admitted on July 14, 2015. The matter is currently pending and the total liability involved under this matter amounts to ₹ 24.30 million.

6. The matter of royalty payable on quantity of limestone used in cement manufacturing by all cement manufacturing companies in Madhya Pradesh is under dispute for several years. The cause for dispute arose as the Principal Secretary, Department of Mining, Government of Madhya Pradesh vide circular dated August 11, 1993 directed all the District Collectors of Madhya Pradesh to assess royalty on lime stone used in cement manufacturing in the ratio of 1.6 Tons or actual consumption (whichever is higher) of limestone used for one ton of cement manufacture, where weighing machines have not been installed by cement plants at pit mouth in the mining lease area. Vikram Cement Works did not have weighing scale on pit mouth in mining lease areas, as a result of which the district mining officers started making assessment in the ratio of 1.6 Tons of Limestone used in one tons of cement manufacture and issue demand notices, against which a writ petition was filed before Hon'ble High Court of Madhya Pradesh against the demand notices and validity of issuance of circular dated August 11, 1993. Further, the High Court of Madhya Pradesh, vide its interim order dated December 13, 2002 directed the cement companies to pay 40 percent amount of the disputed demand. Accordingly UltraTech has deposited 40 percent of the disputed demand up to March 31, 2014. The Hon'ble High Court of Madhya Pradesh disposed of the case vide its final order dated July 8, 2014, quashed all the demand notices. Additionally, the Court quashed the word 'whichever is higher' from the administrative letter dated August 11, 1993 and upheld the said circular. Further, the court ordered for fresh assessment by the assessing authority for all returns filed by the assessee. All such writ petitions were disposed-off by Hon'ble High Court on July 8, 2014 and an SLP was filed by UltraTech before the Hon'ble Supreme Court of India against the order of M P High Court. The matter was listed for admission hearing on January 19, 2015 and the SLP filed on the issue was dismissed at the point of admission. Meanwhile, the Government of Madhya Pradesh constituted a committee in the matter of royalty on limestone for study the issue and give recommendations thereof. The Government of Madhya Pradesh constituted another committee comprising of members from Mining Department, NCCBM, and Cement Plants. Further, the district collector, Neemuch called a meeting on February 24, 2016 on the issue of assessment of royalty on lime stone and directed the company to produce necessary records and Mining Officer, Neemuch to start the assessment proceedings in the matter from the date of allotment of mining leases. On June 4, 2016, the District Mining Officer, Neemuch completed the assessments for the calendar years 1985 to 2014 and subsequently served demand notices calendar year-wise raising total demand of ₹.1.44 billion. Additionally, the Mining Officer in his demand letter(s) dated June 4, 2016 mentioned that during physical inspection weighing scales

were not found at pit head in each mine and weighing system of limestone for all allotted mines is from one weighing machine in UltraTech's mines, which was not found accurate and therefore we have not complied with the provisions of Mineral Concession Rules 1960 and the provisions of Lease Deed Agreement in Form K. Therefore, UltraTech was assessed on the basis of formula of 1:1.6 conversion factor. Further Mining Officer also mentioned that interest is additionally payable along with the demand amount and that UltraTech should deposit the amount as per demand notice along with interest but has not mentioned the interest amount in the demand letters. On July19, 2016, the Government of Madhya Pradesh took a decision for granting relaxation in the condition of installing weigh machine at or near pits mouth, and directed all the collectors of Madhya Pradesh to complete the assessments of earlier years considering the NCCBM Reports and Belto Meters. For Future years NCCBM Study has been made mandatory every year. Further the Collector, Neemuch, has sought clarification from Bhopal office about the procedure to be adopted for already pending demands arising out of assessments completed in this month The Mining Officer appoint CA for calculation of Assessment and CA have submitted his final report on February 25, 2017 showing refund of of ₹ 400.40 million. The total liability of UltraTech under these proceedings amounts to ₹3.76 billion and the matter is currently pending.

7. Another matter has been filed by the Andhra Pradesh Central Power Distribution Company Limited against UltraTech. For the fiscal year 2008-09, the Hon'ble Andhra Pradesh High Court held that applications filed by the DISCOMs were hopelessly time barred and subsequently, questioning the judgment of the Division Bench, DISCOMs have filed Special Leave Petitions before the Supreme Court which are pending. The total liability involved under these proceedings amounts to ₹110. 35 million and the matter is currently pending.

8. A writ petition was filed in the High Court dated December 17, 2012. Further, the APERC issued orders for each quarter determining FSA pursuant to which the DISCOMS have demanded the same by including in the CC bills. The matters relating to levy of FSA from July 2010 to March 2013 were dismissed by the High Court Division Bench on February 24, 2014. UltraTech filed an SLP with the Supreme Court and the Supreme Court granted stay on July 25, 2014 against order of High Court, to not enforce levy from Apr 2010 to Jun 2012. The total liability involved under these proceedings amounts to ₹59.70 million and the matter is currently pending.

9. Another writ petition was filed in the High Court of Andhra Pradesh at for 2010-11 and 2011-12. A stay was granted for 2010-11 for 1st quarter and the matters relating to levy of FSA from July 2010 to March 2013 were dismissed by High Court Division Bench on February 24, 2014. UltraTech filed an SLP with the Supreme Court and the Supreme Court granted stay on July 25, 2014 against order of High Court, to not enforce levy from Apr 2010 to Jun 2012. The total liability involved under these proceedings amounts to ₹85.00 million and the matter is currently pending.

10. Another writ petition was filed in the High Court of Andhra Pradesh at for 2010-11 and 2011-12. A stay was granted for 2010-11 for 1st quarter and the matters relating to levy of FSA from July 2010 to March 2013 were dismissed by High Court Division Bench on February 24, 2014. UltraTech filed an SLP with the Supreme Court and the Supreme Court granted stay on July 25, 2014 against order of High Court, to not enforce levy from Apr 2010 to Jun 2012. The total liability involved under these proceedings amounts to ₹50.50 million and the matter is currently pending.

11. The Hon'ble Commission issued regulations on March 21, 2012, pursuant to which the regulation 1 of 2012 was notified on March 21, 2012. Subsequently, writ petition was filed in the High Court and the matter is in admission stage. Respondents are yet to file counters. The liability under this matter

amounts to ₹171.60 million and provision are made in books at average of floor and forbearance price.

12. On July 3, 1996 ACW obtained NOC from Maharashtra State Electricity Board ("**MSEB**") to set up captive power plant at ACW. While issuing the NOC, MSEB had advised to purchase 25% energy from MSEB, and issued a circular, which was subsequently withdrawn. Taking advantage of the circular, MSEB raised a bill of approximately ₹47.40 million. Further, ACW approached the High Court, Nagpur and filed a writ petition. The High Court advised UltraTech to approach the Maharashtra Electricity Regulatory Commission ("**MERC**"). The MERC decided the matter in UltraTech's favor. Subsequently, the MSEB approached Electricity Tribunal, where appeal of MSEB was dismissed. Aggrieved by the order passed by the tribunal, the Maharashtra State Electricity Distribution Company Limited filed an SLP before Supreme Court for stay. The stay has not been granted to Maharashtra State Electricity Distribution Company Limited and the matter is currently pending. The liability involved under this matter amounts to ₹47.40 million.

13. Refund of ₹1.19 million being land tax was earlier deposited by UltraTech under protest. Subsequently, the act was declared ultra vires with effect from August 1991 and therefore, the amount deposited by UltraTech became refundable. For the interest on refundable amount, a prayer has been made at 24% pa. In view of amalgamation, amended cause tile and application is being filed. The liability under this matter amounts to ₹1.20 million and the matter is currently pending.

14. Demand notices dated March 6, 2012 were received from the Assistant Director, Mines and Geology (Vigilance), Vizag for difference in quantity consumed and quantity for which royalty was collected for the year 2010-11. The liability involved under the matter amounts to ₹9.20 million and the matter is currently pending.

15. Demand notices dated March 7, 2012 were received from the Assistant Director, Mines and Geology (Vigilance), Vizag for difference in quantity consumed and quantity for which royalty was collected for the year 2009-10. The liability involved amounts to ₹10.90 million and the matter is currently pending.

16. Notices were received from the Director, Department of Mines & Geology for submitting the proof of royalty payments made for the sand and jelly consumed in the plant. Further, if UltraTech has failed to do so, UltraTech has been asked to make the royalty payment on the material consumed. The liability involved amounts to ₹29.70 million and the matter is currently pending.

17. An information was filed by the Builders Association of India before the CCI, alleging formation of cartel amongst 11 cement companies and Cement Manufacturers Association (CMA). The CCI vide its order dated June 20, 2012 found 11 cement manufacturers as well as the Cement Manufactures Association to be operating in a 'cartel' and in contravention of Section 3 (3)(a) and 3 (3)(b) of the Competition Act, 2002. The cement companies filed an appeal against the order of the CCI before the COMPAT. The COMPAT vide its judgement dated December 11, 2015 set aside the CCI's order and remitted the matter to CCI for fresh adjudication. The CCI again vide its order dated August 31, 2016 held that the cement companies were engaged in a cartel and imposed a penalty on UltraTech. An appeal against this order dated August 31, 2016 has been filed before the COMPAT and the matter is currently pending. The total liability involved under this matter amounts to ₹ 11.7549 billion.

18. The DSDH (Director Supplies and Disposal) filed a reference before the CCI against the cement manufacturers, namely, the UltraTech, Shree Cement, JAL, JK Cement, ACL, ACC and JK Lakshmi, for alleged violations under Section 3 of the Competition Act alleging that the cement manufacturers had engaged in collusive bidding in relation to the 2012 tender by fixing bid prices, fixing the

quantities to be supplied under the 2012 tender and dividing L1 status amongst themselves. Subsequently, the CCI passed a prima facie order and held that the conduct of the cement manufacturers was indicative of the existence of a prima facie contravention of the provisions of Section 3 of the Competition Act, and further directed the DG to conduct an investigation into the matter. Further, the CCI also directed the DG to investigate the role of the persons who were in charge of and were responsible for the conduct of the businesses of these cement manufacturers. The DG arrived at the conclusion that the cement manufacturers had colluded to rig the bid in respect of the 2012 tender and the same was in contravention of Section 3(3)(d) read with Section 3(1) of the Competition Act. Accordingly, the CCI after consideration of the DG Report along with the objections of the cement manufacturers, held that the cement manufacturers, including the appellant, had contravened Sections 3(3) (d) read with Section 3(1) of the Competition Act by engaging in bid rigging in respect of the 2012 tender. UltraTech and other cement manufacturers have filed an appeal with the COMPAT for revocation of the impugned order in its entirety including all the directions set out by the CCI. The matter is currently pending.

19. By an order dated December 20, 2007, the MRTP Commission issued a cease and desist order against 41 cement manufacturing companies and the CMA holding that they cartelized and had effected a price rise during the period February 1990 to August 1990. UltraTech appealed to the Supreme Court against the order of the Commission dated December 20, 2007 and the matter is currently pending.

20. By an order dated February 29, 2008 the MRTP Commission issued a cease and desist order against 9 cement manufacturing companies holding that they acted in concert to raise the price of cement bags in Jabalpur during the months of July 2000, December 2000 and January 2001 and CMA provided a common platform to these manufacturers for cartelization. UltraTech appealed to the Supreme Court against the order of the Commission and alleged that while allowing the application preferred by the DG (I&R), the Commission has arrived at conclusions entirely on the basis of surmise, presumptions and inferences. The matter is currently pending.

21. By a letter dated May 25, 2006, the MRTP Commission had directed a preliminary investigation into an alleged restrictive trade practices and cartel like activity allegedly adopted by the cement manufacturers by forming a cartel. The investigation was ordered on the basis of the newspaper report and there are total of 13 Respondents in this matter. The pleadings are complete in this matter and the same is pending for final hearing before the COMPAT.

B. Details of litigations against UltraTech or any of its subsidiary companies with amount involved of 5 Crore and above

1. An SLP was filed against the judgment of High Court of Himachal Pradesh dated December 13, 2010 in the matter CWP 3659 of 2009. The SLP admitted on 18.02.2013 and converted to Civil Appeal No. 1636/2013. The Himachal Pradesh High Court by its order dated December 13, 2010 have quashed the environmental clearances for the UltraTech plant and letter of waiver of second public hearing for mines EC along with the land acquisition proceedings on technical ground for not following the procedure. UltraTech has filed an SLP in the Supreme Court of India and the matter is currently pending in Supreme Court. The entire project is at stake and till date expenditures of about ₹1.6 billion have been undertaken.

2. In another matter against Lok Kalyan Mazdoor Union, the Labour Court, Solapur rejected the claim of the union for arrear wages for 15 years and its interest in 2012 under Payment of Wages Act. Subsequently, the union a filed petition under the Industrial Disputes Act. The Court said that the applicant has already exhausted his rights under Payment of Wages Act, hence no relief can be given

under Industrial Disputes Act again. The matter is currently pending and if lost, the total liability involved under this matter amounts to ₹3.66 billion.

3. In another matter against Lok Kalyan Mazdoor Union, a notice was received on October 5, 2012 from the Labour Court, Solapur based on appeal submitted by Lok Kalyan Mazdoor Union as per the ID Act. The main demand of the union was that the arrears should be disbursed to the contract labours as per settlement of Cement Wage Board along with 18% interest. The matter is currently pending and the total liability involved under this matter amounts to ₹357. 00 million.

4. In a matter against Lok Kalyan Mazdoor Union, a demand for payment of arrears for 16 years arose and the same had to be disbursed to the contract labours with ten times compensation on arrear amount. The Labour Court rejected the appeal of Lok Kalyan Mazdoor Union on June 28, 2012. However, application was registered for the claim which is within limitation i.e. claim for the year 2011. The matter is currently pending and the liability involved in this matter amounts to a total of ₹477.60 million.

5. UltraTech received a demand notice dated April 3, 2002 from the Chief Electrical Inspector (In charge) CEIG to pay the electricity duty at 15% on the captive power generation which amounts to ₹72.29 million for the period starting from January 2000 to February 2002. UltraTech filed a reply claiming exemption under notification and argued that as per the notification, UltraTech is eligible for exemption for a period of 5 years from the date of commencement of production. UltraTech filed an appeal on August 22, 2002 before the Energy Secretary, Government of Tamil Nadu against the demand raised by CEIG as per rules. The appeal is pending for disposal. Subsequently, UltraTech has received one more letter from CEIG, informing that GIL's new project is expansion of DCL's old plant & therefore not being eligible for exemption granted to new units. The total liability involved under this matter amounts to ₹72.20 million and the matter is currently pending.

6. The State Government of Chhattisgarh imposed Energy Development Cess at ₹ 10 paisa per unit on own generation from captive power plant by notification dated February 15, 2005. UltraTech filed a writ petition before High Court of Chhattisgarh rejecting such notification. Further, the state government filed an appeal before Supreme Court and the matter is currently pending there. The total liability involved under this matter amounts to ₹158.80 million.

7. The Income Tax Office commenced proceedings against UltraTech on November 10, 2010 in relation to the sales tax incentives to be taxed as revenue receipt. The total liability involved under these proceedings amounts ₹440 million and the same is currently pending.

8. The Income Tax Office commenced proceedings against UltraTech on November 10, 2010 in relation to tax holiday being non admissible on DG sets & rail systems. The total liability involved under these proceedings amounts to ₹91.20 million and the same is currently pending.

9. The Income Tax Office commenced proceedings against UltraTech on November 10, 2010 in relation to the sales tax incentives to be taxed as revenue receipt. The total liability involved under these proceedings amounts to ₹499.00 million and the same is currently pending.

10. The Income Tax Office commenced proceedings against UltraTech on January 29, 2011 in relation to tax holiday being non admissible on DG sets & rail systems. The total liability involved under these proceedings amounts to ₹82.60 million and the same is currently pending.

11. The Income Tax Office commenced proceedings against UltraTech on August 26, 2011 in relation to tax holiday being non admissible on DG sets & rail systems and sales tax incentives to be taxed as revenue receipt. The total liability involved under these proceedings amounts to ₹439.10 million and the matter is currently pending.

12. The Income Tax Office commenced proceedings against UltraTech on September 11, 2014 in relation to tax holiday being non admissible on DG sets & rail systems and sales tax incentives to be taxed as revenue receipt. The total liability involved under these proceedings amounts to ₹760.10 million and the matter is currently pending.

13. The Income Tax Office commenced proceedings against UltraTech on September 11, 2014 in relation to tax holiday being non admissible on DG sets & rail systems, sales tax incentives to be taxed as revenue receipt and expenditure relating to ESOP to be disallowed. The total liability involved under these proceedings amounts to ₹700.70 million and the matter is currently pending.

14. The Commissioner of Central Excise, Sonepat (Haryana) demanded an excise duty amounting to ₹68.90 million on cement to be cleared to industrial and institutional consumers.

15. In a matter against DGCEI Pune, show cause notice was issued by DGCEI, Pune for undervaluing the AV while supplying clinker to sister units. The total liability under this amounts to ₹1.99 billion.

16. The fuel was considered as consumable goods even for electricity generation which was further upheld by the department vide their circular dated February 19, 2001. UltraTech was availing the benefit under sales tax incentives scheme and accordingly procured Naphtha & Furnace Oil at 0.25% sales tax instead of 16% for the plant - I & II. In this matter the department has issued a circular September 2, 2005 for revoking the earlier circular of February 19, 2001 stating the reference of Gujarat sales tax tribunal judgment and excluded the fuel used in electricity generation from the definition of consumable stores. The liability involved under this matter amounts to ₹1.45 billion.

17. A show cause notice was issued on proposed to denial the benefit of effective rate of duty on bulk cement cleared to industrial & institutional customers under notification dated March 1, 2006 as amended from time to time for above period and demanding the full rate of tariff duty at ₹ 900 pmt / ₹ 1000 pmt on entire above quantity, reducing the duty already paid by us on advance basis at 10% or 12% pertaining to the year 2015-2016. Personal hearing awaited in this matter and the total liability amounts to ₹1.42 billion.

18. The Commercial Taxes Officer Anti Evasion Zone-I, Jaipur imposed tax, penalty and interest on stock transfer from Aditya Cement, Shambhupura & Kotputli Cement works, Kotputli to Delhi Depot during the year 2010-11 to 2013-14 and vide order dated October 28, 2014 a demand for ₹ 1.01 billion has been raised. UltraTech has deposited 10% of disputed tax ₹ 30.95 million. Subsequently, UltraTech filed an appeal in Rajasthan Tax Board, Ajmer on December 2, 2014. The sales tax department communicated to our collection Bank (HDFC Bank) and froze our collection to recover the complete demand amount against and a stay order against the same was issued on December 22, 2014 with an order to deposit the adequate security of ₹.977.35 million. A writ petition was filed in the High Court at Jaipur on March 2, 2015 for refund of ₹175.17 million which withdrawn from HDFC bank. The total liability involved amounts to ₹1.01 billion.

19. In a matter in CESTAT, a demand of duty under `Classification of coal' for various coal shipments was issued to UltraTech by Customs, Guntur. The units involved are Rajasjree & Andhra Pradesh Cement Works. The total liability involved amounts to ₹878.80 million.

20. In a matter in CESTAT, Ahmedabad, a show cause notice was issued for differential duty on the ground for wrongful Classification of Imported Coal. The coal imported by the UltraTech wrongly classifies under CTH 27011920 as "Steam Coal" and paid duty of only 1% under Section 3(1) claiming the exemption under Notification 12/2012-Cus dated March 17, 2013 but classifiable under CTH 2701 1200 as the calorific value of coal was greater than 5833 kcal/kg and coal imported fall under the category of Bituminous Coal Chargeable to duty at 5% BCD Under Notification No. 12/2012-Cus dtd. March 17, 2012 and 6% additional duty under Section 3(1) of Custom Tariff Act, 1975. Subsequently, a stay order was received on December 11, 2014. Further, miscellaneous application was filed and stay was granted on March 11, 2015. A personal hearing was held on November 6, 2015 and the final order has been reserved. The total liability involved amounts to ₹864.90 million.

21. The Commissioner of Central Excise & Service Tax, Bhavnagar issued a show cause notice dated August 24, 2016 regarding clearance of cement in bulk to industrial or institutional consumers (i.e. Government Bodies, Infrastructural development projects, Builders and Contractors, Social religious & charitable organizations etc.). The department stated that the said consumers do not fall within the definition of industrial or institutional consumers & therefore it is required to clear cement to such consumers by affixing MRP & by paying at merit rate i.e. at ₹ 900 pmt for the period starting from April 2011 to July 2015. The total liability under this matter amounts to ₹627.70 million.

22. The Commissioner of Central Excise & Service Tax, Bolpur initiated proceedings in a matter relating to excess duty being paid on a cancelled Invoice in the month of August 2011 which was adjusted with the duty liability in the month of September 2011, resulting in short payment of duty in September11. The total liability under this matter amounts to ₹603.00 million.

23. Another matter is relation to excise duty involved on refund of sales tax / VAT as incentive under (Package Scheme of Incentives, 2007) has been initiated by the Commissioner of Central Excise. The total liability of UltraTech under this matter amounts to ₹516.60 million.

24. In a matter against Commissioner of central excise, Rajkot, it has been prayed that the service tax paid on outward freight is not eligible for CENVAT credit. This litigation pertains to fiscal year 2009-10 to fiscal year 2013-14. The total liability of UltraTech under this matter amounts to ₹469.50 million.

25. Another litigation in relation to irregular availment & ultilisation of service tax credit on the ISD invoices / challans issued by various units of UltraTech has been initiated by the Commissioner, Central Excise, Bolpur. The total liability of UltraTech under this matter amounts to ₹466.10 million.

26. In another matter initiated in CESTAT, a differential duty on coal transfer to NCCL under advance license scheme has been demanded. The department has raised the demand the different custom duty on coal given to NCCL as per SION norms, as NCCL name was not appearing in advance license and on the basis of debit note raised by GCW. Subsequently, CSETAT order dated March 1, 2007 was passed and a remand to original adjudicating authority for a limited verification purpose for claims import benefit and utilized the duty free imported coal as per SION in the manufacturing of clinker/cement. The total liability involved under this matter amounts to ₹434.60 million.

27. The Central Excise Department initiated investigation against the UltraTech’s unit. The department recorded various statements of employees and during the course of investigation, it alleged that the UltraTech’s unit has incorrectly determined the assessable value under Rule 8 of the Central Excise Valuation Rules, 2000 for the goods cleared to their own grinding units as the value under Section 4(1)(a) of the Central Excise Act, 1944 is available as the unit have sold clinker at factory gate. The Central Excise department alleged that as per Rule 4 of the Central Excise Valuation Rules, 2000 if

price of the comparable goods is available and therefore, the same should be taken as the basis for determination of the assessable value. The total liability involved under this matter amounts to ₹348.90 million.

28. Another matter has been initiated by the Additional Director General, DGCEI, Mumbai Zonal Unit. The matter is in relation to the excise duty on clinker that is dispatched to the sister units and applicability of the central excise valuation for captive consumption. The total liability involved under this matter amounts to ₹348.20 million.

29. Another entry tax matter has been initiated in the High Court of Rajasthan for payment of entry tax from April 2003 to March 2017. The total liability involved under the same amounts to ₹312.80 million.

30. Matter relating to disallowance of CENVAT credit availed on iron and steel items during the period January 2008 to April 2010 was initiated by the Commissioner of Central Excise, Rajkot. The contention of the department was that iron and steel items are supporting items and therefore CENVAT is not allowed on the same. The total liability involved under the same amounts to ₹308.60 million.

31. The Commissioner of Central Excise, Bhavnagar has demanded service tax on Goods Transport Agency availed through ISD Challan as the noticee has made different types of clearances from factory gate and / or from depot / warehouse basis and also owner ship. The total liability involved in this case amounts to ₹280.60 million.

32. The Assessing Officer raised a demand disallowing VAT credit on iron & steel purchased against AC-II plant along with levy of penalty. The total liability involved in this case amounts to ₹273.30 million.

33. The Commissioner of Central Excise initiated proceedings relating to cement clearance without declaring MRP on bags. The total liability involved in this case amounts to ₹269.40 million.

34. The Commissioner of Central Excise, Belgaum initiated proceedings relating to CENVAT credit of differential amount of CVD on imported steam coal. The total liability involved in this case amounts to ₹258.60 million.

35. Matter in relation to denial of input service tax credit taken on the basis of invoice / challan issued by Input Service Distributor for Goods Transport Agency Service taken for outward transportation of final product from factory to customer, was initiated in the CESTAT, New Delhi. The total liability involved in this case amounts to ₹240.80 million.

36. DGCEI issued a show cause notice dated November 22, 2012 contending that the UltraTech (GCW) is manufacturing the dutiable goods (cement and clinker) and exempted goods being electricity. The total liability under this matter amounts to ₹238.90 million.

37. The Commissioner of Central Excise initiated proceedings relating to cement clearance without declaring MRP on bags. The total liability of UltraTech of in this case amounts to ₹228.00 million.

38. Dispute in relation to demand of excise duty on dispatch of cement to industrial / institutional consumer at ₹ 900 /- pmt in place of ₹ 400/- during the period of July 2010 to Feb 2011 has been initiated by Commissioner, CE&C, Raipur. The total liability involved in this case amounts to ₹202.50 million.

39. The Commissioner of Central Excise initiated proceedings relating to cement clearance without declaring MRP on bags. The total liability involved in this case amounts to ₹198.20 million.

40. A show cause notice was issued denying the benefit of effective rate of duty on bulk cement cleared to industrial & institutional customers under notification dated March 1, 2006 as amended from time to time for above period and demanding the full rate of tariff duty at ₹ 900 pmt / ₹ 1000 pmt on entire above quantity, reducing the duty already paid by us on advance basis at 10% or 12% pertaining to the year 2014-2015. Personal hearing awaited in this matter and the total liability amounts to ₹194.60 million.

41. Show cause notice was issued regarding CVD credit taken on the basis of TR-06 challans against dispute of classification on imported coal. A personal hearing awaited in this matter and the total liability involved amounts to ₹194.20 million.

42. The Commissioner of Central Excise & Service Tax, Durgapur has initiated proceedings against UltraTech for payment of excise duty amounting to ₹176.70 million.

43. The Commissioner Jaipur has initiated proceedings in relation to cement issued to institutional consumer without specific duty and the liability arose from these proceedings amounts to ₹175.50 million.

44. The department has raised a demand of ₹174.98 million from UltraTech for the years 2009-10 to 2012-13 on account of short payment of service tax under GTA. In doing so, the department has considered the freight charges as per the Profit and Loss account which was inclusive of rail freight, handling, demurrage and wharfage charges on which GTA is not applicable.

45. A demand of duty under `Classification of coal' for various coal shipments was issued by Customs, Kandla for the AC, VC & Kotputli units. The total liability involved in this matter amounts to ₹174.40 million.

46. Proceedings disallowing input service credit passed on by the marketing division as ISD during Apr 2009 to Aug 2012 are initiated in CESTAT, Kolkata. The total liability involved in this matter amounts to ₹174.10 million.

47. A show cause notice with demand of service tax for the period 2004-05 to 2007-08 was issued to UltraTech on the ground that the company is engaged in construction service & pumping activity carried on by the company for delivering of RMC at customer site and is liable for service tax. The total liability involved in this matter amounts to ₹173.90 million.

48. Proceedings were initiated against UltraTech on grounds that the entry tax exemption was not given on limestone raised from Rawan & entry tax is to be paid on project for the year 2011-12. The total liability involved in this matter amounts to ₹171.70 million.

49. A demand of excise duty on dispatch of cement to industrial / institutional consumer at ₹ 900 pmt in place of ₹ 400 pmt for the period of Dec 2008 to Sept 2009 has been made by the Commissioner, CE&C, Raipur. The total liability involved amounts to ₹171.40 million.

50. Proceedings have been initiated by the Commissioner of Central Excise & Service Tax, Bolpur in relation to irregular availment & ultilisation of service tax credit on the ISD invoices/ challans issued by various units of UltraTech. The total liability involved amounts to ₹160.30 million.

51. The excise department alleged that as per Rule 3 of Legal Metrology Act, if the cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then the MRP is required to be declared and demanded UltraTech to pay a differential duty in this regard. The total liability involved under these proceedings amounts to ₹160.10 million.

52. The Commissioner of Excise and Service Department, Ahmedabad has initiated proceedings against UltraTech for payment of MODVAT on Naphtha & Furnace Oil for Wheeling of Power to NCC for a period starting from September 25, 2000 to May 31, 2002. Personal hearing is awaited in this matter and the total liability involved under the same amounts to ₹159.10 million.

53. The excise department alleged that as per Rule 3 of Legal Metrology Act, if the cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then the MRP is required to be declared and demanded UltraTech to pay a differential duty in this regard. The total liability involved under these proceedings amounts to ₹157.10 million.

54. In a matter before adjudicating authority, the Cement was cleared under s.no. 52 via notification no. 12/2012-CE dated March 17, 2012 as amended at the concessional rate of excise duty. The Excise Department alleged that as per Rule 3 of Legal Metrology act if cement is packed in 50 kg bags and cleared to industrial/institutional buyer even then MRP is required to be declared and hence they demanded differential duty. The current liability under this matter is ₹154.50 million.

55. In a matter before CESTAT, demand of duty was made under `Classification of coal' for various coal shipments, issued by Customs, Visakhapatnam (Units Rawan, Hirmi Awarpur). The current liability involved under this matter is ₹144.70 million.

56. In another matter before CESTAT, New Delhi, service tax credit on account of outward freight has been disallowed by the Commissioner. The current liability involved under this matter is ₹123.00 million.

57. In a matter before Commissioner at Jaipur, it was observed that cement was issued to institutional consumer without specific duty. The current liability involved under this matter is ₹120.50 million.

58. In another matter before Commissioner at Jaipur, it was held that VAT exemption under RIPS should be included in transaction value and liability regarding the same arose on UltraTech. The current liability involved under this matter is ₹119.4 million.

59. In a matter before the Commissioner of Central Excise, it was observed that Cement was granted clearance without declaring the MRP on bags. The current liability involved under this matter is ₹117.90 million.

60. In another matter, cement was cleared under notification dated March 17, 2012 as amended at the concessional rate of excise duty. The Excise Department alleged that as per Rule 3 of Legal Metrology Act, if cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then MRP is required to be declared and therefore demanded differential duty. The current liability involved under this matter is ₹117.90 million.

61. In a matter before Commissioner of Central Excise at Rajkot, CENVAT credit on service like township construction, jetty construction and medical services was disallowed and a liability of ₹117.40 million is involved.

62. In a matter relating to short payment during the period March, 2012 to June, 2016 on sale to Non Trade buyer (NRS), a demand for payment was made by the Commissioner, Anand. The current liability involved under this matter amounts to ₹117.00 million.

63. The Excise Department alleged that as per Rule 3 of Legal Metrology act if cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then MRP is required to be declared. Based on the contention, differential duty of ₹113.70 million was demanded from UltraTech.

64. The Excise Department alleged that as per Rule 3 of Legal Metrology act if cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then MRP is required to be declared and therefore, demanded differential duty. The current liability involved under this matter is ₹111.60 million.

65. In the matter before the Commissioner, Central Excise certain contentions were raised. Firstly, as per the notice, it was contented that the Noticee have availed of CENVAT credit on various ineligible services which are either used outside the factory or/ and not covered under the definition of service used outside the factory or/ and not covered under the definition of service used in or in relation to the manufacture of their final products. Therefore, the CENVAT credit on such services is not permissible and the same is recoverable under rule 14 of Cenvat Credit Rules, 2004. It was also contended that the noticee appears to be liable for penalty under Rule 15 of Cenvat Credit Rules, 2004 and Rule 25 of Central Excise Rules, 2002 for violation of provisions of Rule 2 of Cenvat Credit Rules, 2004 and amount of ₹109.70 million is demanded from UltraTech in this regard.

66. The Commissioner of Customs, Central Excise & Service Tax, at Durgapur initiated proceedings pertaining to irregular availment & utilization of Service Tax Credit on the ISD Invoices/ Challans issued by various units of UltraTech. The current liability involved under this matter amounts to ₹108.50 million.

67. Before the Commissioner of Central Excise, another matter was initiated wherein demand of differential excise duty was made on non-trade/bulk cement as per notification 04/06 as amended. The liability involved under this matter is ₹105.40 million.

68. The Commissioner of Central Excise at Rourkela disallowed the Input Service Credit passed on by marketing division as ISD during Oct 2015 to March 2015 and a liability of ₹101.40 million arose on UltraTech in this regard.

69. Before the Commissioner at Jaipur, litigation related to cement being issued to institutional consumer without specific duty was initiated. The liability involved under this matter is ₹101.20 million.

70. A show cause notice dated June 25, 2013 was received from the Commissioner of Central Excise claiming the differential excise duty on non-trade cement dispatched from UltraTech. The liability involved under this matter is ₹98.90 million.

71. The Commissioner of Central Excise, Bhavnagar issued a show cause notice regarding CVD credit taken on the basis of TR-06 challans against dispute of classification on imported coal. It was contented that CENVAT credit amounting to ₹ 194.24 million (₹30. 83 million (1%CVD +₹163.41 million of differential CVD) should not be demanded and recovered under Rule 14 of the Cenvat credit rules 2004 read with Section 11A of the Central Excise Act 1944. It was further contented that interest should not be demanded under rule 14 of the Cenvat credit rules 2004 read with Section 11AA of the Central Excise Act 1944. Therefore, penalty should not be imposed under the provision of 15 of the Cenvat credit rules 2004 read with Section 11AC of the Central Excise Act 1944. The

matter is currently pending for hearing and the current liability involved under this matter is ₹97.50 million.

72. A matter relating to cement issued to institutional consumer without specific duty was initiated by the Commissioner, Jaipur and the liability involved under the same is about ₹95.10 million.

73. The Deputy Commissioner, Central Excise Office, Ludiana initiated proceedings against UltraTech in relation to using of concessional rate of excise duty instead of payment made at MRP. The liability involved under this matter is ₹94.50 million.

74. In another matter, Commissioner of Central Excise Belgaum has issued show cause notice for the clearance made of 531189 MTs of loose cement in bulk to UltraTech related units. It was held / prayed that it should be determined as per Rule 4 of Central Excise Valuation Rule, 2000 and the same should be considered also for interest and penalty. Extension of time for 60 days' was sought on April 17, 2012. Further extension of 45 days' time was sought from the Commissioner of Belgaum on June 11, 2012. However, the liability involved under this matter arose to be around ₹94.30 million.

75. Before the Commissioner of Central Excise at Bolpur, another matter was initiated with respect to non-trade clearance of cement made by availing exemption under notification 4/2011, which does not qualify as institutional/ industrial consumers as per Rule 3 of Legal Metrology Rules 2011. The current liability involved under this matter is ₹93.10 million.

76. The Commissioner of Central Excise, Rourkela disallowed the input service credit passed on by marketing division as ISD during April 2015 to September 2015. The current liability involved under this matter is ₹92.10 million.

77. In another matter, the Commissioner of Central Excise & Service Tax, Bhavnagar issued show cause notice dated December 12, 2015 to UltraTech regarding clearance of cement in bulk to industrial or institutional consumers (i.e Government Bodies, infrastructural development projects, builders and contractors, social religious & charitable organizations etc.). The department held the view that the said consumers do not fall within the definition of industrial or institutional consumers and therefore it is required that clearance of cement to such consumers should be by affixing MRP & by paying at merit rate i.e at ₹ 900 pmt for the period April 01, 2011 to February 28, 2015 and at ₹ 1000 pmt from March 2015 to July 2015. The liability involved under this case amounts to ₹92.00 million.

78. Another litigation relating to cement supplied to RMC and valuation to be done under Rule 4 was initiated against UltraTech. The current liability involved under this matter is ₹89.10 million.

79. Another matter was initiated by the Commissioner, Central Excise in relation to CENVAT credit of input service beyond up to the place of removal for ISD, KTPS & mobile phone. The current liability involved under this matter is ₹87.30 million.

80. Before the Commissioner, Nagpur a matter was initiated relating to the clearance of cement by virtue of Notification no.1/2011 dated March 01, 2011. The current liability involved under this matter is ₹80.80 million.

81. Before CESTAT, a matter was initiated against UltraTech with respect to the CENVAT credit on service tax input credit ISD, Insurance for fly ash plant at Kota, MSW Plant and Mobile phone. The current liability involved under this matter is ₹80.50 million.

82. Proceedings were initiated by the Commissioner of Central Excise, Rourkela relating to the differential duty paid to dispatches to industrial & institutional customers during October 2015 to March 2016. The liability involved under this matter is ₹80.50 million.

83. The Central Excise Department issued notice to UltraTech for disallowing credit of service tax input credit availed by UltraTech on ISD, Insurance and Fly Ash plant at Kota. The liability involved under this matter is 80.10 million.

84. Before the CESTAT, Ahmedabad a matter was initiated relating to the clinker consumed as captive for clearance of cement on NIL rate on supplies to earthquake effected area. The concerned department demanded the duty on clinker at ₹ 200 PMT, instead of 8% & prayed for proportionate reversal of the CENVAT credit. Personal hearing is awaited in this matter and the current liability involved under this matter is ₹76.50 million.

85. A case was filed in CESTAT, Ahmedabad in relation to the clinker consumed as captive for clearance of cement on NIL rate on supplies to earthquake effected area. The department demanded duty on clinker at ₹200 pmt instead of 8% and proportionate reversal of CENVAT credit. Personal hearing awaited in this matter and the total liability amounts to ₹76.50 million.

86. A case was filed with Commissioner of Central Excise, Rourkela in relation to disallowance of input service credit passed on by marketing division as ISD during January, 2014 to September, 2014. The total liability involved in this matter amounts to ₹76.20 million.

87. A case was filed with Principal Commissioner Central Excise, Ludiana, Punjab regarding use of concessional rate of excise duty instead of payment at MRP. The liability involved under this matter amounts to ₹75.20 million.

88. A case was filed against UltraTech in CESTAT, West Zonal Bench, Mumbai in relation to service tax credit availed for prior period services of supply agency, repair and maintenance, and outdoor catering service. The liability involved under this matter amounts to ₹74.60 million.

89. The State Government of Chhattisgarh vide a notification imposed a 15% extra entry tax on clinker transfer to another State. UltraTech challenged the said notification of the State Government in the High Court of Bilaspur. The total liability under this matter amounts to ₹74.50 million.

90. The Commissioner of Customs, Central Excise and amp, Service Tax, Durgapur initiated proceedings against UltraTech in relation to non-trade clearance of cement made by availing exemption notification dated March 17, 2012 and stating that the same does not qualify as institutional/ industrial consumers as per Rule 3 of Legal Metrology Rules 2011 and Rule 4,6 & 8 of Customs Excise Rules. The total liability under this matter amounts to ₹74.50 million.

91. It was contended by the Commissioner, Central Excise that UltraTech during the period of May 2014 to March 2015 cleared 571559.10 mt cement at concessional rate of duty, i.e., 12 % by wrongfully availing the benefit of notification number 12/2012-CE dated March 17, 2012, and looking into the conditions of end use of the cement by various buyers. It further stated that UltraTech has violated the provisions of rule 4, 6, 8 & 11 of the Central Excise Rules, 2002 by paying less duty on removal, incorrect assessment and issuing invoice mentioning incorrect details. Thus, case was filed for penalty under section 11 AC of the Central Excise Act, 1944 read with rule 25 of the Central Excise Rules, 2002. The total liability under this matter amounts to ₹70.70 million.

92. A show cause notice was issued by the department for denial of CENVAT credit on items & machinery received for first power plant as capital goods. A reply was filed by UltraTech but department kept it in call book and a case is pending with the adjudicating authority. The total liability under this matter amounts to ₹70.70 million.

93. A case was filed with Commissioner of Central Excise, Rourkela in relation to disallowance of input service credit passed on by marketing division as ISD during October, 2014 to September, 2014. The total liability amounts to ₹70.30 million.

94. A show cause notice to UltraTech was issued for under valuation under rule 4A and contravention of rule 8 while clearing cement for RMC and self-consumption. The difference in duty for clearance of cement from GCW to RMC and from NMCU to RMC for the period of December, 2013 to August, 2014 amounted to ₹ 70.26 million. Subsequently, the case in relation to the same was filed with Commissioner of Central Excise, Bhavnagar. Personal hearing awaited in this matter and the total liability amounts to ₹70.30 million.

95. A show cause notice was issued by the Commissioner of Central Excise claiming the difference in excise duty on non-trade cement dispatched from UltraTech. A case was filed with the Central Excise Audit, Surat and total liability involved under this matter amounts to ₹69.90 million.

96. A case was filed with Commissioner of Customs, Central Excise and amp, Service Tax, Durgapur in relation to irregular availment and utilization of service tax credit on the ISD Invoices/ Challans issued by various units. The total liability involved under this case amounts to ₹68.80 million.

97. A case was filed against UltraTech in relation to converting branch transfer into interstate sales , freight recovered by debit note included in taxable turnover and submission of fake c form. The total liability involved under this case amounts to ₹68.70 million.

98. A case was filed with Commissioner, Central Excise for disallowance of CENVAT Credit on service tax input credit, ISD and Insurance for Fly Ash Plant Kota as services were used outside factory. The total liability involved amounts to ₹66.70 million.

99. A case was filed with Commissioner, Central Excise for disallowance of CENVAT Credit on service tax input credit, ISD and Insurance for Fly Ash Plant Kota as services were used outside factory. The total liability involved amounts to ₹65.60 million.

100. A case is filed with Commissioner, Central Excise for disallowance of CENVAT Credit on service tax input credit, ISD and Insurance for Fly Ash Plant Kota as services were used outside factory. The total liability involved amounts to ₹65.20 million.

101. A case is filed with Additional Commissioner of Sales Tax (NZ), Sambalpur for demand raised as C Form and F Form were not submitted at the time of assessment. The total liability of UltraTech under this matter amounts to ₹64.80 million.

102. A case is filed with Commissioner of Central Excise, Rourkela for disallowance of input service credit passed on by marketing division as ISD during September, 2012 to June, 2013. The total of liability involved under this matter amounts to ₹63.60 million.

103. A case is filed with Commissioner of Central Excise for demand of differential excise duty on non-trade/bulk cement as per the notification number 04/06, as amended. The total liability involved under this matter amounts to ₹63.30 million.

104. A case is filed with Commissioner of Central Excise for demand of differential excise duty on non-trade/bulk cement as per the notification number 04/06, as amended. The total liability involved under this matter amounts to ₹63.20 million.

105. A show cause notice was received from the Commissioner of Central Excise claiming the difference in excise duty on non-trade cement dispatched from UltraTech. A case was filed with Central Excise Audit, Surat with a total liability amounting to ₹61.70 million.

106. A case was filed against UltraTech with Commissioner, Central Excise in regards to the difference in duty paid for supply to institutional customers. The total liability amounts to ₹61.70 million.

107. A case was filed against UltraTech in CESTAT in relation to CENVAT credit availed for service tax in respect of commission paid to UltraTech's C&F agents, selling agents and stockist during the period starting from October, 2011 to March, 2014. The total liability involved under this case amounts to ₹61.60 million.

108. Cement was cleared at concessional rate of excise duty under notification number 4/2006-CE. The excise department alleged that as per rule 3 of Legal Metrology Act, if cement is packed in 50 kg bags and cleared to industrial/institutional buyer, even then MRP is required to be declared and demanded differential duty. In regards to this, a case was filed with Commissioner of Central Excise and the total liability involved in this regard amounts to ₹6.14 million.

109. A case was filed with Commissioner of Central Excise for demand of differential excise duty on non-trade/bulk cement as per the notification number 04/06, as amended. The total liability involved in this case amounts to ₹61.20 million.

110. A show cause notice was received by UltraTech from the Commissioner of Central Excise claiming the difference in excise duty on non-trade cement dispatched from UltraTech. A case was filed with Central Excise Audit, Surat with a total liability amounting to ₹61.20 million.

111. A case is filed with the Commissioner of Central Excise, Bhavnagar in relation to demand on on service tax on GTA availed through ISD challan for period starting from December, 2015 to June, 2016. It was contended that when the final goods are cleared from the factory gate and notice is not in ownership during transportation, the notice is not eligible for CENVAT credit on GTA as passed on by ISD. The total liability involved amounts to ₹60.70 million.

112. A case was filed with Commissioner of Central Excise, Bhavnagar in relation to demand on service tax on GTA availed through ISD Challan for period starting from April, 2015 to November, 2015. It was contended that when the final goods are cleared from the factory gate and notice is not in ownership during transportation, the notice is not eligible for CENVAT credit on GTA as passed on by ISD. The total liability involved under this case amounts to ₹60.70 million.

113. A case was filed against UltraTech in relation to converting branch transfer into interstate sales , freight recovered by debit note included in taxable turnover and submission of fake c form. The total liability involved under this case amounts to ₹60.00 million.

114. Commissioner of Central Excise, Belgaum issued show cause notice to UltraTech for clearance made of 356019.66 MTs loose cement in bulk to related units stating that it should be determined as per rule 4 of Central Excise Valuation Rule, 2000 and also for levying of interest and

penalty on UltraTech. UltraTech applied for an extension of 60 days' time on February 2, 2013 and the matter is currently pending. The total liability involved under this matter amounts to ₹57.30 million.

115. A show cause notice relating to service tax credit availed on outward freight for period 2015 to 2016 was issued to UltraTech by Commissioner, Gandhidam. The total liability involved under the same amounts to ₹57.20 million.

116. A case was filed with Commissioner, Central Excise for disallowance of CENVAT credit on service tax input credit, ISD and insurance for fly ash plant Kota as services are used outside factory. The total liability involved in this matter amounts to ₹56.90 million.

117. A case was filed by the Commissioner of Central Excise, Rourkela for difference in duty paid for dispatches to industrial & institutional customers during April, 2015 to September, 2015. The matter involves a total liability of ₹56.20 million.

118. A case was filed with Principal Commissioner, Central Excise, Ludiana, Punjab for disallowance of service tax credit on account of outward freight. The matter involves a total liability of ₹56.20 million.

119. CENVAT credit on structural steel was disallowed by way of a show cause notice issued by the Commissioner of Central Excise, Ahmedabad-III to UltraTech. A case was filed in relation to this in CESTAT. The matter involves a total liability of ₹55.90 million.

120. A show cause notice was issued by the Commissioner of Central Excise claiming the difference in excise duty on non-trade cement dispatched from UltraTech. A case was filed with Central Excise Audit, Surat and the matter involves a total liability of ₹55.70 million.

121. A show cause notice was issued for under valuation under rule 4A and contravention of rule 8 while clearing cement for RMC and self-consumption. The difference in duty for clearance of cement from GCW to RMC and from NMCU to RMC for the period of August, 2012 to April, 2013 amounted to ₹55.67 million. A case was filed with Commissioner of Central Excise, Bhavnagar. Personal hearing awaited in this matter and the total liability amounts to ₹55.70 million.

122. A case was filed in CESTAT, Mumbai in relation to demand on differential duty on cement cleared to RMCs on ad valoram duty under rule 4 instead of pmt duty. The total liability involved in the matter amounts to ₹53.60 million.

123. A case was filed with Commissioner, CE&C, Raipur in relation to demand of excise duty on despatch of cement to industrial/institutional consumer at ₹900 /- pmt in place of ₹400/- pmt during the period of July, 2011 to December, 2011. The total liability of involve in this matter amounts to ₹53.50 million.

124. A case was filed with in relation to CENVAT credit on steel items used for fabrication of capital goods. The total liability involved in this matter amounts to ₹53.40 million.

125. A case was filed with Commissioner of Customs, Central Excise and amp, Service Tax, Durgapur in relation to irregular availment and utilization of service tax credit on the ISD Invoices/ Challans issued by various units of UltraTech. The total liability amounts to ₹53.30 million.

126. A show cause notice was issued by the Commissioner of Central Excise claiming the difference in excise duty on non-trade cement dispatched from UltraTech. A case was filed with Central Excise Audit, Surat and total liability amounts to ₹53.10 million.

127. Based on the order of 2008-2009 and 2009-2010, the West Bengal Sales Tax department re-opened the assessment and raised a demand of ₹48.86 million from UltraTech towards remission claim for the year 2007-2008. Out of the ₹48.86 million, ₹45.92 million will be allowable based on the approved annual capacity of 1 million mt. Hence ₹2.93 million is shown as contingent liability along with proportionate interest. In this regard, an appeal was made to the Appellate Authority and the total liability involves is of ₹52.10 million.

128. A case was filed with Commissioner of Central Excise, Rourkela for difference in duty paid for dispatches industrial & institutional customers during March, 2008 to June, 2016. The total liability involved in this matter amounts to ₹51.40 million.

129. A case was filed in CESTAT, Hyderabad in relation to CENVAT credit on GTA service. The total liability involved in this matter amounts to ₹51.30 million.

130. A show cause notice was issued for under valuation under rule 4A and contravention of rule 8 while clearing cement for RMC and self-consumption. The difference in duty for clearance of cement from GCW to RMC is and from NMCU to RMC for the period of September, 2014 to February, 2015 is ₹9.96 million and 41.06 million respectively. A case was filed with Commissioner of Central Excise, Bhavnagar. Personal hearing was fixed for September 16, 2016 and September 16, 2016, and adjournment was requested. The matter is currently pending and the total liability involved amounts to ₹51 million.

131. A case was filed with Commissioner of Central Excise for demand of differential excise duty on non-trade/bulk cement as per the notification number 04/06, as amended. The total liability involved amounts to ₹50.90 million.

132. Based on the order of 2007-2008, 2008-2009 and 2009-2010, the West Bengal Sales Tax department re-opened the assessment and raised a demand of ₹48.86 million towards remission claim for the year 2007-2008. Out of the ₹48.86 million, ₹45.92 million will be allowable based on the approved annual capacity of 1 million mt. Hence ₹2.93 million is shown as contingent liability along with proportionate interest. In this regard, an appeal was made to the Appellate Authority with a total liability of amounting to ₹52.10 million.

133. A case was filed with CESTAT in relation to sales tax liability on pumping charges of concrete. The total liability amounts to ₹50.30 million.

134. A show cause notice was issued for under valuation under rule 4A and contravention of rule 8 while clearing cement for RMC and self-consumption. The difference in duty for clearance of cement from GCW to RMC and from NMCU to RMC for the period of October, 2015 to April, 2016 is ₹9.40 million and 41.06 million respectively. A case was filed with Commissioner of Central Excise, Bhavnagar. Personal hearing awaited and the total liability of involved amounts to ₹50.10 million.

135. A case was filed in relation to disallowance of concessional tax under entry 69 and 255 of the notification on purchases of Naphtha consumed for power wheeling to NCCL. Personal hearing was held on July 20, 2015 and September 4, 2015. The tax appeal was dismissed at admission stage and final order recorded on October 19, 2015. The case is on-going and the total liability involved amounts to ₹105.10 million.

Idea Cellular Limited ("Idea")

1. A matter relating to warehouse fire causing destruction was filed before the Gujarat High Court against Idea. Pleadings are completed and the matter is listed for final hearing. The total amount involved in the litigation is ₹170 million.

2. Another matter relating to CAF verification was filed before TDSAT. Petition was allowed via judgment dated March 3, 2016 and the impugned demand notices were quashed. The Department of Telecommunication ("**DOT**") challenged the judgment of TDSAT in Supreme Court. Subsequently, notice was issued and the matter is tagged with Vodafone Petition number 5359 of 2016. Idea has filed the counter affidavit and amount under litigation amounts ₹61 million.

3. A matter relating to CAF verification was filed before TDSAT. Petition was allowed via judgment dated March 3, 2016 and the impugned demand notices were quashed. DoT challenged the judgment of TDSAT in Supreme Court and notices were issued. No interim order has been passed in this matter and the same is tagged along with C.A. Number 5359-5362 (Union of India v. Vodafone Digilink). Idea has filed its counter affidavit and amount under litigation is ₹61.8 million.

4. A matter relating to penalty on account of alleged forgery in CAF's post special audit was filed before TDSAT. Pleadings have been completed and matter shall be heard by TDSAT along with the other CAF matters. The amount under consideration is ₹140 million.

5. Another matter relating to penalty on account of alleged forgery in CAF's was filed before TDSAT. Pleadings have been completed in this matter and the same shall be heard by TDSAT along with the other CAF matters. The amount under consideration is ₹ 50.90 million.

6. A matter relating to penalty on account of forged POI was filed before TDSAT. Pleadings have been completed and matter shall be heard by TDSAT along with the other CAF matters. The liability involved in this matter amounts to ₹ 251.90 million.

7. A matter relating to penalty on account on account of PRTC, Gram Panchayat certificates accepted was filed before TDSAT. Pleadings have been completed and matter shall be heard by TDSAT along with the other CAF matters. In addition, penalty on account of discrepancies in the CAFs for July, 2015 to October, 2016. The impugned demand have been stayed and DoT is yet to file its reply. The total amount under consideration is ₹ 83,912,000.
   Another matter relating to penalty on account of discrepancies in the CAFs was filed before TDSAT. Pleadings have been completed and matter shall be heard by TDSAT along with other CAF matters. In addition, a matter relating to penalty on account of discrepancies in the CAFs from period starting from November, 2015 to December, 2016 was also filed. The impugned demand have been stayed and DoT is yet to file its reply. The total amount under consideration is ₹ 150,100,000.

8. A matter relating to delay in self certificates relating to network updates (on and other operators), improper submission of site photo, layout, neighbouring building, and different test procedures followed was filed before TDSAT. Majority of the issues were dealt order dated March 29, 2016 in Industry Petition number 271 of 213 and the said penalty has been set aside. However, some minor issues still needs to be adjudicated, for which hearing shall be fixed in due course. The liability involved in this matter amounts to ₹ 840.00 million.

   Multiple matters related to Penalty on account of delay in submission of self-certificates for shared sites was filed before TDSAT. In first matter, Pleadings have been completed. The matter will be heard by TDSAT along with other CAF matters. The amount under consideration is ₹ 53.50 million. In second matter, the demand was stayed vide order dated December 22, 2015. The amount under consideration is ₹ 6.78 million. In third matter, the demand was stayed vide order dated January 14, 2016. The amount under consideration is ₹ 163.50 million.

9. A matter relating to 150% penalty arbitrarily imposed by DoT was filed before the TDSAT and ruling was in Idea's favour. Subsequently, the DoT filed an appeal against the ruling of TDSAT which is admitted by the Supreme Court. The matter is currently pending and is listed for final hearing. The amount under consideration is ₹ 480.00 million
   A petition was filed against WPC orders for additional 1% on spectrum charges for non-3G circles. Enhancement stayed and BG at ₹ 320 million (approx.) to remain in force till pendency of the matter. Matter was admitted & notices issued to DoT. DoT revised spectrum charges by additional 1% w.e.f. April 2011, and

same was challenged in TDSAT. However interim relief granted by current Supreme Court order. Now, matter is to be listed for final hearing in Supreme Court. The amount for consideration is ₹ 320 million.

Supreme Court has stated that TDSAT cannot go into validity of license terms. Thus, a writ petition was filed in Kerala High Court to challenge license terms. Kerala High Court passed an interim order for continuation of making payments. In addition, a demand notice was issued based on the special audit for financial year 2006 to 2007 and 2007 to 2008 done by the auditor of DoT. Interim order granted against the Impugned Demand and the amount in consideration is ₹1.34 billion. Based on special audit for FY 2006 to 2007 and 2007 to 2008 done by the auditor of DoT, WPC issued demand notices. DoT also raised demands for reconciliation of AGR for period 2009 to 2010, 2010 to 2011, and 2011 to 2012. Interim order granted against the Impugned Demand and the amount in consideration is ₹ 15.41 billion. Considering the nature of orders already available granted in our favour, the fresh demands received from DoT & WPF were stayed by the Hon'ble Court. Interim order granted against the Impugned Demand and the amount in consideration is ₹ 3.7 billion.

10. A matter relating to demand for one time spectrum fee payment which includes retrospective demands with effect from July 1, 2008 for spectrum held beyond 6.2 MHz (based on 2001 entry fee + PLR) and demands for prospective period for spectrum held beyond 4.4 MHz (at rates determined in November 2012auction) was filed before Bombay High court. A stay was granted against the impugned demand and the Court passed a detailed order stating that the case is maintainable and continued the interim protection. The matter is connected with similar petitions of Bharti (1461/2013) and TATA (1772/2013). The liability involved in this matter amounts to ₹ 21.13 billion.

11. A petition was filed to seek return of PBG post completion of roll out obligations before TDSAT. Pleadings have been completed and the liability involved in this matter amounts to ₹ 400 million.

12. A petition in relation to seek return of FBG & PBGs for seven quashed service areas was filed before TDSAT. Pleadings have been completed and Idea has filed a miscellaneous application to bring on record, the circular released by DoT to release the PGB under quashed licenses and revalidate the FBG. Accordingly, vide order dated May 31, 2015, TDSAT directed to release the PBG amounting to ₹ 580 million for seven service areas and to revalidate/reassign the FBG amounting to ₹ 957 million. The liability involved in this matter amounts to ₹ 1.53 billion.

13. The matter was filed in relation to demand for payment of reserve price for continuation of services from February 2, 2012 till the last valid date of the subsisting 2G license along with interest, despite the delay on part of DoT to conduct auction and raise demand in time was filed before the TDSAT. TDSAT, vide its order dated October 7, 2016, directed the DoT to not take any coercive action against the Impugned Demand. The matter is currently pending and DoT is yet to file its reply. The liability involved in this matter amounts to ₹ 5.85 billion.
    Spice Punjab and BSNL entered into an agreement for "Roaming Services and Revenue Sharing". According to the said agreement, only post paid subscribers were to roam in the BSNL network, however, some prepaid subscribers were also able to roam, resulting into fraudulent usage for which the BSNL filed the claim petition for Arbitration. Arguments are concluded and judgment is reserved in this matter and the amount under consideration is ₹ 110 million.

14. Apropos TDSAT order in Petition no. 107 of 2010, BSNL has shared its data on signalling with effect from 2008 and has raised fresh demands across various service areas. Idea has stated that it is liable to pay wherever it has actually used the signalling links and has accordingly made payments in few service areas. However, since BSNL threatened disconnection, Idea approached TDSAT, which in its interim order gave a "no coercive steps order". A similar petition in respect of Karnataka, Uttar Pradesh-west, Delhi, Kerala and Madhya Pradesh has also been submitted before TDSAT. The matter is currently pending as the evidence in both the petitions needs to be filed by Idea. The liability involved in this matter amounts to ₹ 256.44 million.

15. A petition for the recovery of SMS termination charges for the pre-regulation period and post-regulation period has been submitted before TDSAT. A notice has been issued in this matter and BSNL is yet to file it reply. The liability involved is ₹ 990 million

16. Reliance Communication filed a petition before TDSAT for restoration of basic, NLD and ILD Services, which were disconnected for non-payment of dues. Reply in this matter is yet to be filed by Idea and the amount under consideration is ₹ 239.40 million.

17. A petition to challenge the recommendation dated October 21, 2016 made by Telecom Regulatory Authority of India to DoT to impose a penalty of ₹ 9500 million on Idea for acting in breach of the license agreement and QoS Regulations and the same has been filed before TDSAT. Pleadings have been completed in this matter and the same is listed for final arguments. The liability involved in this matter amounts to ₹9.5 billion.

18. DoT vide letter dated November 26, 2013 alleged that Idea has violated the substantial equity clause and did not take permission for merger despite DoT warning, and thus is liable for a penalty of ₹6000 million. The DoT was ready to take the merger on record on acceptance of the penalty by Idea. Idea filed a petition before TDSAT and it has passed a "no coercive steps" order and restrained DoT from taking any coercive steps like encashment of BG etc.

19. A petition was filed before TDSAT praying for direction to DoT for set off ₹4840 million. Entry fee paid for erstwhile Spice Telecom licenses of 2008. The DoT has filed its reply on March 4, 2013 and Idea has also filed its rejoinder on the same. Matter is listed for final hearing and the liability involved under litigation is ₹4.84 billion.

20. Special Leave Petition(s) have been filed by the Company before the Hon'ble Supreme Court against the impugned orders passed by Allahabad/ Delhi High Courts where it was held that licence agreements entered into between telecom service providers and property owners for the installation of towers are lease deeds and hence liable to pay stamp duty as per Stamp Act. The Supreme Court granted stay and the matter is pending for final hearing. The liability involved in this matter amounts to ₹ 59.74 million.

21. A petition was filed before Bombay High court challenging retrospective levy of property tax by the Pune Municipal Corporation. The matter is pending for final hearing and amount under consideration is ₹ 255.7 million.

22. A petition was filed before Bombay High court challenging retrospective levy of property tax by the Pune Municipal Corporation along with annual rateable value fixed by the Pune Municipal Corporation. Interim relief of no coercive action was granted on December 22, 2015. The matter is pending for final hearing and amount of liability involved is ₹ 64.75 million.

23. A matter in relation to imposition of tax and penalty by Commercial Taxes Department of State of Karnataka for reason that telecommunications involves only data transfers and since all types of transfers are through OFC's "light carrier", it attracts tax liability under Keralal Sales Tax Act, 1957, was filed before CESAT. This matter is currently pending for hearing and the amount under consideration is ₹ 2.38 billion.

24. A matter related to tax on purchase turnover under Kerala Value Added Tax Act, is filed before Kerala High Court. A stay is obtained and final hearing date is yet to be received. The total liability involved in these proceedings amounts to ₹ 65.47 million.

25. Another matter in relation to differential tax on purchase turnover against C Form under Maharashtra Value Added Tax Act, 2002 has been filed before the Commissioner, Commercial Taxes. The hearing date is yet to be received and the adjudication is pending. The amount under consideration is ₹ 308.42 million.

26. A matter related to tax demand on goods given on trial basis under Punjab Value Added Tax, 2005 is filed before Punjab and Haryana High Court. The hearing date is yet to be received and the adjudication is pending. The amount under consideration is ₹ 63.84 million.

27. A matter related to tax on purchase turnover under Kerala Value Added Tax Act, is filed before the Commissioner, Commercial Taxes. A stay is obtained in this matter and final hearing date is yet to be received. The amount under consideration is ₹ 51.49 million.

28. A matter relating to tax on VAS services (MP Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011) was filed before Madhya Pradesh High Court. It is an entertainment tax case. The next date for the hearing is yet to be received. The liability involved in this matter amounts to ₹163.90 million.

29. Another matter in relation to tax on VAS Services (MP Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011) was filed before Madhya Pradesh High Court. This matter in relation to entertainment tax. The next date for the hearing is yet to be received and the liability involved in this matter amounts ₹ 73.80 million.

30. A matter relating to tax on VAS Services (MP Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011) was filed before Madhya Pradesh High Court. It is an Entertainment tax case. The next date for the hearing is yet to be received. The amount under consideration is a total sum of ₹105.76 million.
A matter relating to tax on VAS Services (MP Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011) was filed before Madhya Pradesh High Court. It is an entertainment tax case. The next date for the hearing is yet to be received. The amount under consideration is sum of ₹ 73.68 million.

31. A matter relating to tax on entry of goods (MP Entry Tax Act, 1976) was filed before Madhya Pradesh High Court. It is an entertainment tax case. The next date for the hearing is yet to be received. The liability involved in this matter is of ₹ 54.92 million.

32. A matter relating to Disallowance of CENVAT credit on towers & shelters under the provisions of Finance Act, 1994 was filed before the Mumbai High Court. The Bombay High Court dismissed Idea's case on July 1st and Idea is in process of filing an appeal before Supreme Court. The liability involved in this matter is ₹ 533.74 million.

33. A matter relating to disallowance of CENVAT credit on towers & shelters under the provisions of Finance Act, 1994 was filed before CESTAT Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹182,427,616.

34. A matter relating to demand of tax on services provided to employees under the Finance Act, 1994 was filed before CESTAT Mumbai. . The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹54,405,709.

35. A matter relating to disallowance of CENVAT on input services such as mediclaim, rent-a-cab, club membership etc. under the provisions of Finance Act, 1994 was filed before CESTAT Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹58,546,446.

36. A matter relating to INPS - T & S under the provisions of Finance Act, 1994 was filed before CESTAT Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹1,392,397,829.

37. A matter relating to demand of tax under RCM – Import, under the Finance Act, 1994 was filed before CESTAT, Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The total liability involved in this matter is ₹ 1,021,467,265.

38. A matter relating to demand of tax on sharing of towers & sale of SIM Cards under the Finance Act, 1994 was filed before CESTAT, Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹90,381,010.

39. A matter relating to utilization of CENVAT in excess of 20% under the provisions of Finance Act, 1994 was filed before CESTAT, Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹ 93,131,586.

40. A matter relating to utilization of CENVAT in excess of 20% under the provisions of Finance Act, 1994 was filed before CESTAT, Mumbai. The hearing date is yet to be received. The matter is currently pending before CESTAT, Mumbai. The amount under consideration is sum of ₹ 108,453,929.

41. A matter relating to disallowance of CENVAT credit on towers & shelters (Finance Act, 1994) was filed before CESTAT, Kolkata. The hearing date is yet to be received. The matter is currently pending before CESTAT, Kolkata. The amount under consideration is sum of ₹161,600,626.

42. A matter relating to disallowance of departmental appeal CENVAT on diesel reimbursement & debit note (Finance Act, 1994) was filed before the CESTAT Mumbai. A departmental appeal was filed before CESTAT and the hearing date is yet to be received. The amount under consideration is sum of ₹194,254,554.

43. A matter relating to disallowance of CENVAT credit on towers & shelters on limitation ground (Finance Act, 1994) was filed before the Mumbai High Court. The departmental appeal was filed before the Bombay High

Court and the hearing date is yet to be received. The liability involved under this matter is a sum of ₹96,933,397.

44. Another matter relating to demanding confiscation of towers for availing inadmissible credit on T & S (Finance Act, 1994) was filed before the Mumbai High Court. The departmental appeal was filed before the Bombay High Court. The hearing date is yet to be received. The amount under consideration is sum of ₹96,314,331.

45. A matter relating to disallowance of departmental appeal CENVAT on diesel reimbursement & debit note (Finance Act, 1994) was filed before CESTAT. Departmental appeal was filed before CESTAT. The hearing date is yet to be received. The amount under consideration is sum of ₹112,886,302.

46. A matter relating to disallowances made in regular assessment was filed before ITAT/CIT(A). The matter pertains to disallowance of discount, disallowance of roaming charges, RSLF, interest appropriated as towards spice acquisition, ESOP, and disallowance. The regular assessment matter is pending before ITAT. Next hearing is fixed on September 5, 2017. The reassessment is pending before the CIT (A) and the next hearing is fixed on August 23, 2017. The amount under consideration is sum of ₹ 28,435,545,436. An appeal was filed relating to disallowances made in re-opening was initiated. The matter relates to addition for PI assets transferred to ICTIL, non-compete fees, deduction of 35ABB disallowed, excess depreciation on lease assets, set off of unabsorbed depreciation being not allowed.

47. A matter relating to disallowances made in regular assessment. The matter discussed the issue of disallowance of discount, disallowance of roaming charges, RSLF, ESOP expenses, disallowance, club expenses, abandoned project, lease rent paid to Indus, lease rent paid to Quippo, year end provisions, short deduction of TDS and interest on interest free advance to subsidiaries. The matter further related to disallowances made in 263 read with section 143(3) regarding the depreciation on spectrum. The matter is pending before CIT(A). The next date of hearing is not yet fixed. The amount under consideration is sum of ₹558,017,753.

48. A matter relating to disallowances made in regular assessment was filed before CIT (A). The matter pertained to disallowance of discount, disallowance of roaming charges, RSLF, ESOP expenses, disallowance, club expenses, abandoned project, lease rent paid to Indus, lease rent paid to Quippo, yearend provisions, short deduction of TDS interest on interest free advance to subsidiaries and depreciation on spectrum. The matter is pending before CIT(A). The matter has been heard and the order is awaited in this matter. The amount under consideration is sum of ₹4,846,769,552.

49. A matter relating to disallowances made in regular assessment was filed before CIT (A). The matter pertained to disallowance of discount u/s 40(a)(ia), disallowance of roaming charges u/s 40(a)(ia), RSLF, ESOP expenses, disallowance u/s 14A, Club expenses, Creditors of capital goods written off, abandoned project, lease rent paid to Quippo, yearend provisions, short deduction of TDS and interest on interest free advance to subsidiaries. The matter is pending before CIT (A). The next date of hearing is not yet fixed. The amount under consideration is sum of ₹5,939,209,714.

50. A matter relating to disallowances made in regular assessment was filed before CIT (A). The matter pertained to disallowance of discount, disallowance of roaming charges, RSLF, ESOP expenses, disallowance, club expenses, abandoned project, lease rent paid to Quippo, and interest on interest free advance to subsidiaries. The matter is pending before CIT(A). The next date of hearing is not yet fixed. The amount under consideration is sum of ₹11,216,781,604.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for Listing

The National Company Law Tribunal Bench at Ahmedabad, vide its order dated June 1, 2017 has approved the Composite Scheme of Arrangement between ABNL, Grasim and the Company and their respective shareholders and creditors. Pursuant to the Scheme, the Demerged Undertaking of the Demerged Company has been transferred to and vested with our Company on with effect from Effective Date 2, in accordance with Sections 230-232 of the Companies Act, 2013 and applicable laws.

In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme as well as its existing Equity Shares shall be listed and admitted for trading on BSE and NSE. Such listing and admission for trading is not automatic and will be subject to fulfilment by the Company of the listing criteria of BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application by our Company seeking listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria in terms of Chapters III and IV of the SEBI ICDR Regulations are not applicable. Pursuant to the SEBI Circular, our Company is applying for exemption from the strict enforcement of the requirement of Rule 19(2)(b) of the SCRR for the purpose of listing of shares of the Company from SEBI.

Our Company has submitted the Draft Information Memorandum dated June 27, 2017, containing information about itself, making disclosures in line with the disclosure requirement for the public issues, as applicable, to BSE and NSE for making the said Draft Information Memorandum available to public through their websites www.bseindia.com and www.nseindia.com. The Company has also made the said Draft Information Memorandum available to the public on its website www.adityabirlacapital.com.

Our Company shall submit this Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and NSE for making the said Information Memorandum available to the public through their websites www.bseindia.com and www.nseindia.com. The Company has also made this Information Memorandum available to the public on its website www.adityabirlacapital.com.

The Company shall publish, an advertisement in one English and one Hindi newspaper with nationwide circulation and one regional newspaper with wide circulation at the place where the Registered Office of the Company is located, containing its details in accordance with the requirements set out in the SEBI Circular. The advertisement shall draw specific reference to the availability of this Information Memorandum on our Company's website.

Prohibition by SEBI

The Company, its Directors, its Promoter, other companies promoted by the Promoter and companies with which our Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Identification as wilful defaulter

Our Company, its Promoter or Directors have not been categorised as wilful defaulters by any bank or financial institution or a consortium thereof, in accordance with the guidelines on wilful defaulter issued by RBI.

Disclaimer of BSE

A copy of the Draft Information Memorandum has been submitted to BSE.

A copy of this Information Memorandum will be submitted to BSE.

The BSE had through its letter dated November 16, 2016 given its 'No Objection' in accordance with the provisions of the SEBI Listing Regulations and by virtue of that No Objection, BSE's name in this Information Memorandum has been used as one of the Stock Exchanges on which our Company's securities are proposed to be listed.

Disclaimer of NSE

A copy of the Draft Information Memorandum has been submitted to NSE.

A copy of this Information Memorandum will be submitted to NSE.

The NSE had through its letter dated November 16, 2016 given its ‘No Objection’ in accordance with the provisions of the SEBI Listing Regulations and by virtue of that No Objection, NSE’s name in this Information Memorandum has been used as one of the Stock Exchanges on which our Company’s securities are proposed to be listed.

General Disclaimer from the Company

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements published in accordance with legal requirements mentioned in the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company 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.

Listing

An application has been made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares of our Company. The Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the Equity Shares. The Company has taken steps for completion of necessary formalities for listing and commencement of trading at BSE and NSE.

Listing Approval from BSE and NSE

Our Company shall apply for a listing approval from BSE and NSE.

Filing

The Draft Information Memorandum had been filed with BSE and NSE.

This Information Memorandum shall be filed with BSE and NSE.

Previous Rights and Public Issues

For details of rights issues by the Company since its incorporation, see the section titled “Capital Structure” on page 53. The Company has not undertaken any public issues.

Outstanding debenture or bonds and redeemable preference shares and other instruments issued by our Company

There are no outstanding debentures, bonds or redeemable preference shares as of the date of this Information Memorandum.

Stock Market Data for Equity Shares of our Company

The shares of our Company are not listed on any stock exchanges. Through this Information Memorandum, our Company is seeking approval for listing of its Equity Shares on BSE and NSE.

Disposal of Investor Grievances

Karvy Computershare Private Limited are the Registrar and Share Transfer Agent to our Company, who can be contacted at the following email id for addressing investors’ grievances: adityacapital@karvy.com.

Compliance Officer and Company Secretary

Sailesh Kumar Daga is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Sailesh Kumar Daga
One Indiabulls Centre, Tower 1
18th Floor, Jupiter Mill Compound
841 S.B Marg, Elphinstone Road
Mumbai – 400 013
Tel: + 91 22 4356 7000

Fax: + 91 22 4356 7111
Email: sailesh.daga@adityabirla.com

SECTION VII: OTHER INFORMATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company.

The main provisions of the Articles of Association of our Company are detailed below:

Share Capital and Variation of Rights

The authorised share capital of the Company shall be in accordance with Clause V of the Memorandum of Association of the Company with the Board having the power to issue, allot or otherwise dispose off the same or any of them to any person, in such proportion and on such terms and conditions and either at premium or par and at such time as they may from time to time think fit, and the same shall be subject to the provisions of the Companies Act and the Articles.

Except as provided in the Articles, none of the funds of the Company shall be employed in the purchase of, or lent on the security of the Shares of the Company and the Company shall not, except as permitted by Section 68-70 and other applicable provisions of the Companies Act, give any financial assistance for any purchase of shares in the Company.

Subject to the provisions of the Companies Act and the Articles, the Board has the power to issue or allot shares in the capital of the Company otherwise than for cash on a) payment/part payment for any property or assets of any kind whatsoever sold or transferred; b) goods or machinery supplied or for services rendered to the Company in the conduct of its business; and c) any shares which may be so allotted and may be issued as fully or partly paid-up.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of those shares) may, subject to the provisions of the Companies Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class and as prescribed under the Companies Act.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless expressly provided by the terms of the issue of such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Subject to the provisions of the Companies Act and on such terms and conditions as determined by the Board, the Board shall issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted into equity shares.

Further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, and the same shall be in accordance with the provisions of the Companies Act.

Subject to the provisions of the Companies Act and other applicable provisions of law, the Company may with the approval of the shareholders, by a special resolution in the general meeting, issue sweat equity shares in accordance with SEBI guidelines or guidelines issued by any other competent authorities from time to time.

Increase, Reduction and Alteration of Capital

The Company in general meeting may, from time to time, increase its authorized share capital, including by creation of new Shares, with such increase to be of such aggregate amount as may be deemed expedient.

Subject to Section 61 of the Companies Act, the Company, by way of an ordinary resolution can a) consolidate or divide all or any of its share capital into shares of larger amount than its existing shares; b) convert all or any its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; c) sub-divide its existing shares or any of them into shares of smaller amount that is fixed by the Memorandum of Association of the Company; and/or d) cancel any shares, which at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Except so far as otherwise provided by the conditions of issue, any share capital raised by the creation of new shares shall be considered as part of the existing share capital and shall be subject to the provision herein contained, with reference to payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

The Company may, subject to the provisions of the Companies Act, from time to time by a resolution, reduce its share capital and/or any capital redemption reserve account and/or any securities premium account and/or any other reserve in the nature of share capital in any manner authorized by law.

Notwithstanding anything contained in the Articles, and in accordance with the applicable provisions of the Companies Act, the Company has the power to purchase its own shares or any other securities.

Conversion of Shares into Stock

The Company, by ordinary resolution in General Meeting may convert any fully paid-up shares into stock and re-convert any stock into fully paid-up shares of any denomination. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that, the Board may from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of shares from which the stock arose.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matter, as if they held the shares from which the stock arose but no such privilege or advantage (except as regards participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in share, have conferred that privilege or advantage.

Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “Share” and “Shareholders” in these regulations shall include stock and stockholder respectively.

Calls on shares

The Board may, from time to time, make such calls upon the members in respect of any moneys unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof, made payable at fixed times.

Each member, subject to receiving atleast 14 (fourteen) days’ notice specifying the time and place of payment, shall pay the amount to the Company. The Board may from time to time, at its discretion, extend the time fixed for payment of any call in respect of one or more members. The Board has the power to revoke or postpone a call at its discretion. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

The Company is entitled to treat the person whose name appears as the beneficial owner of the shares, debentures or other securities in the records of the depository as the absolute owner and accordingly, the Company shall not (except as ordered by a Court of law) be bound to recognise any benami trust or equity or equitable, contingent or any other claim to or interest in such Shares/Debentures/Securities, on part of any other person whether or not it shall have express or implied notice thereof.

If the sum called in respect of any Share is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay an interest thereon from the due date to the time of actual payment and at such rates as may be fixed by the Board. The board shall be at a liberty to, wholly or partly, waive payment of such interest.

If by the terms of issue of any shares any amount is made payable on allotment, whether on account of nominal value of the shares or by way of premium, it shall be deemed to be a call duly made and payable on the date on which by the terms of issue of such sum becomes payable.

In the cases of non-payment of any sum, all relevant provisions of the Articles relating to payment of interest and expenses, forfeiture or otherwise shall apply as if the same had become payable by virtue of a call duly made and notified.

The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid-upon any Shares held by him and upon all or any part of the moneys so advanced may, (until the same would, but for such advance, become presently payable) pay interest at such rates as may be fixed by the Board. The Member making such advance shall not be entitled to any right to participate in profits or dividends and any voting rights in respect of such moneys, until the same would but for such payment becomes presently payable.

On the trial or hearing of any action to recover any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member sued is entered in the register as a holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duely given to the member sued, in pursuance of these presents.

Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof, nor the receipt by the Company of portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the forfeiture of such shares.

The provision of the Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.

Forfeiture and lien

If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

The aforesaid notice shall name a day and a place/places, on or at which the payment required by the notice is to be made. The notice shall state that, in the event of non-payment at or before the time and place appointed, the shares in respect of which the the call was made or instalment is payable will be liable to be forfeited.

If the requisitions of any such notice as aforementioned are not complied with, any shares in respect of which the notice has been given may, at any time thereafter before the payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Directors to that effect and such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before forfeiture. Any shares so forfeited shall be deemed to be the property of the Company and may be sold, re-allot or otherwise disposed in such manner as the Directors may think fit. The Directors may at any time, before any Shares so forfeited and have been sold, reallotted or otherwise, annul the forfeiture thereof upon such conditions as they may think fit.

Any member whose shares have been forfeited shall remain liable to pay and shall forthwith pay the Company all moneys together with interest thereon, at such rates as may be prescribed under the Companies Act and the Directors at their discretion may enforce such payment.

The Company shall have a first and paramount lien upon all shares other than fully paid-up shares (whether presently payable or not) called or registered in the name of a single person presently payable by him or his estate to the Company, provided that the Board may at any time declare any share to be wholly or partially exempt, from the aforesaid provision of the Articles of the Company. The Company's lien (if any) on such a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares. For the purpose of enforcing such lien, the Board may sell the shares at their discretion, however, no sale shall be made unless a sum in respect of which the lien exists is presently payable and until a notice in writing of the intention to sell is served on such member,executors, administrator,committee, curator bonis, legal representative. In order to enforce the above mentioned provision, a default shall have been made by him or them in payment of the sum payable for 14 days after the date of such notice.The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists, as is presently payable. In case of any residue, the same shall be payable to the persons entitled.

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the power hereinabove given, the Directors may cause the purchaser's name to be entered in the register of members in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, applications of the purchase money. After such name has been entered in the register of members in respect of such shares the validity of the sale not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only against the Company exclusively.

Transfer and transmission of Shares

The instrument of transfer of any Shares in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register of members of the Company in respect thereof.

An application for the registration of the transfer of any share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor and relates to partly paid share, no registration shall be effected unless the Company gives notice of the application to the transferee and the transferee makes no objection within two weeks from the receipt of notice.

Nothing in the above mentioned provision shall apply to the transfer of Shares or other Securities effected by the transferor or transferee whose names are entered as beneficial owners in the records of the depository. In such a case, the records of the beneficial ownership shall be served by such depository by means of electronic mode or by delivery of discs.

The Board may, at its absolute and uncontrolled discretion and without assigning or giving reasons, may decline to register or acknowledge any transfer of shares in case the Company has lien upon such shares or any of them or in the case of shares not fully paid-up whilst any money called or payable at a fixed time in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board. Section 56 of the Companies Act shall not prejudice the power of the Board to refuse to register the transfer of shares. If the Board refuses to register the transfer or transmission of any shares, notice of refusal shall within 2 (two) months from the date on which the instrument of transfer was lodged with the Company, be sent to the transferee and transferor or to the person giving intimation of the transmission, as the case may be.

The Company shall incur no liability or responsibility whatsoever in consequences their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right title or interest or may have received a notice prohibiting registration of such transfer and may have entered such notice as referred thereto in any book of the Company. The Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered and referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors so think fit.

The Board may not recognise any instrument of transfer of shares unless a proper instrument of transfer in the form as prescribed in Section 56 of the Companies Act and applicable Rules has been delivered to the Company. The same shall be delivered along with the share certificate or any such other evidence as the Board may require to prove the title of the transferor to make transfer and the same shall be in respect of only one class of shares.

On giving of advance notice of atleast 7 (seven) days or such lesser period in accordance with the Companies Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may determine from time to time, and the same shall not exceeding 30 days at any one time and in the aggregate 45 days in any year. The notice of refusal to register the shares must be given to the transferor and the transferee within a period of 30 from the date on which the instrument of transfer was delivered to the Company.

The Board shall not transfer any share to a minor or person of unsound mind, except fully paid shares through a lawful guardian. All instrument of transfers, except those which are declined by the Director to be registered (in which case it shall be returned to the person depositing the same), shall be retained by the Company. Additionally, the Directors can waive off the fee of transfer or transmission at their discretion.

The Board has the power to close the register of members or debenture holders after giving atleast 7 (seven) days notice by advertisement in some newspaper in the district of the registered office of the Company and the same shall not exceed 45 days in each year and 30 days at any one time.

The aforesaid provisions shall not apply in case of dematerialised share, debenture or other security and the transfer of the same shall be governed by the Depositories Act. These provisions shall *mutatis mutandis* apply for the registration of the beneficial ownership of dematerialised shares and other securities of the Company maintained by the depository.

On the death of a member, the survivor or survivors where the member was joint-holder, and his nominee / legal representatives where he was sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares but nothing contained herein shall release the estate of a deceased joint-holder from any liability in respect of any shares, which had been jointly held by him with other persons.

Any person becoming entitled to a share by reason of the death or bankruptcy / insolvency of any member, upon production of sufficient evidence, may with the consent of the Directors, be registered as the holder of the Shares, and can make transfer of the shares as the deceased or insolvent member would have made. A person, being a nominee, becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as a shareholder in respect of his share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Capitalization of Profits

The Company upon recommendation of the Board and by way of a General Meeting may resolve to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, profit and loss account, or otherwise available for distribution. In may further resolve that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.

Such sum shall not be paid in cash, but shall be applied either in or towards a) paying up any amounts for the time being unpaid on ay shares held by such members respectively; b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or c) partly in the way specified in a) and b) above. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation and shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid-up shares, if any.

The Board has the power make provisions for issue fractional certificates or for payment in cash or otherwise as it think fits, for cases of shares becoming distributable in fractions. It may authorize any person to enter, on behalf of all members entitled thereto, into an effective and binding agreement with the Company providing for allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportion of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

Modification of Rights

Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may be varied, modified, commuted, affected, abrogated or dealt with subject to a) the consent of the holders not being less than three-fourths of the issued share of the class; or b) the sanction by a resolution passed at separate meeting of the holders of those shares and supported by the votes of the holders of not less than three-fourths of those shares. This provision does not derogate from any power the Company that it would have had if this provision were omitted and the rights of dissentient shareholders being holders of not less in the aggreg ate than ten per cent of the issued shares of that class to apply to the Court to have the variation or modification cancelled.

Borrowing Powers

The Directors shall have the power, from time to time at its discretion, raise or borrow or secure the payment of any sum or sums of money for the purpose, of the Company provided however, where the moneys, to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Board, exceed the aggregate paid up capital of the Company and its free reserves.

The Directors may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions as it may think fit, and by such issue of debentures or debenture-stock of the Company (both present and future) including its uncalled capital for the time being.

All debentures, debenture-stock, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Any debentures, debenture-stock, bonds or other such securities may be issued subject to the provisions of the Companies Act and the Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares attending (but not voting) at General Meetings of the Company, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by way of a special resolution.

General Meetings

Company shall in each year hold a general meeting specified as its “annual general meeting” at the intervals and in accordance with the provisions of the Companies Act.

Every annual general meeting shall be called during business hours on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.

Any accidental omission to give notice of any meeting to or non-receipt of any such notice by any of the shareholders shall not invalidate the proceedings of such meeting. No business shall be transacted at any general meeting unless the required quorum is present at the commencement of the business.

If no Chairman is elected or if at any general meeting, the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting the Directors present may choose one of them as the chairman of the meeting. If a meeting cannot be held for want of quorum, then the meeting shall stand adjourned to the same day in the next week at such time and place as the Board may decide and if the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, then the members present shall form the required quorum and transact the required business. In case of an equality of vote, the Chairman shall be entitled to a second or casting vote in addition to the vote which he may be entitled as a member.

The Company shall cause the proceedings of every general meeting and resolutions passed to be prepared and signed in accordance with the Companies Act. Non inclusion of certain matters in the minutes, which may be defamatory, irrelevant, immaterial or detrimental, may be done at the discretion of the Chairman. The book containing the minutes of the proceedings of the general meetings shall be kept at the registered office of the Company and shall be open to inspection by any member, in accordance with the provisions of the Companies Act and the Articles.

Votes and proxies of members

Votes may be given personally or by proxy. No member shall be entitled to vote at any General Meeting if any call or other sums are be due and payable to the Company in respect of any of the shares of such member. On a show of hands, every member present shall have one vote and upon a poll member present in person or by proxy shall have one vote for every share held by him. When a corporation being a member is present by proxy, who is not a member, such proxy shall be entitled to vote for such corporations on show of hands. A member may exercise his right to vote by the electronic means in accordance with the provisions of the Companies Act.

Any person entitled under the transmission clause may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof. In the case of joint holders, the vote of the senior who tenders a vote whether in person or in proxy shall be accepted to the exclusion of the 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 guardian may, on a poll, vote by proxy.

No objection shall be raised to the qualification of any votes except at the meeting or adjourned meeting at which such vote is tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

The instrument assigning a proxy or a power of attorney, under which it is signed or notarially certified copy of the power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in case of a poll, not less than 24 (twenty four) hours before the time appointed for taking of the poll and in default, the instrument of proxy shall not be treated as valid.

Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it. Every instrument of proxy shall be in the form as set out in the Companies (Management and Administration) Rules, 2014.

Every member entitled to vote at a meeting of the Company or on any resolution to be moved there at, shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the principal or revocation of the proxy or of the authority under such proxy or the authority was executed or the transfer of the shares in respect of which the proxy is given provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received at the office of the Company before the meeting or adjourned meeting at which the proxy is used.

Directors

The number of Directors of the Company shall not be less than three or more than 15; provided that the Company may appoint more than 15 directors after passing a special resolution.

Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the leading financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director", shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation.The Board of the Company shall have no power to remove from office the Nominee Director(s). At the option of the Corporation, such Nominee Director(s) shall not be required to hold any share qualification in the Company and shall not be liable to retirement by rotation of Directors.

The Board may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an Alternate Director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Companies Act. An Alternate Director appointed shall vacate office if and when the original Director returns to India. If the term of office of the original Director is determined before he so returns to India any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original, and not to the alternate Director.

The Board shall have such number of Independent Directors required under the Companies Act, the Rules, the Listing Agreement with the Stock Exchange and the regulations/guidelines that may be issued by SEBI and other authorities from time to time.

If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board at a meeting of the Board. Any person so appointed as a director shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

The Directors shall have power at any time and from time to time to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director provided that the total number of the Directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only of the next Annual General Meeting of the Company, or the last date on which the annual general meeting should have been held whichever is earlier.

The Directors of the Company are not required to hold any share qualifications.

Subject to the provisions of the Companies Act, the Board shall have power at any 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. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Companies Act.

The continuing Directors may act, notwithstanding any vacancy in its body; but, if and so long as their number is reduced below the quorum fixed by the Companies Act or by the Articles for a meeting of the Board, the continuing Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

At the first annual general meeting of the Company and at every subsequent annual general meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not 3(three) or a multiple of 3 (three), then, the number nearest to one-third shall retire from office. The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

At every annual general meeting of the Company a motion shall not be made for the appointment of 2 (two) or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being cast against it.

A resolution moved in contravention of the aforesaid provision of the Articles shall be void whether or not objection was taken at the time to its being so moved. Provided that where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply.

A person who is not retiring Director shall, subject to the provisions of the Companies Act be eligible for appointment to the office of Director at any general meeting, if he or some member intending to propose him has, not less than 14 (fourteen) days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of one lakh rupees or such higher amount as may for the time being be prescribed under the Companies Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

The Company may by ordinary resolution remove a Director before the expiry of his period of office. Special notice shall be required of any resolution to remove a Director under the Articles or to appoint somebody instead of a Director so removed at the meeting at which he is removed. On receipt of notice of a resolution to remove a Director, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

A Director may contract with the Company or may hold a place of profit or office to the extent and as permissible in the Companies Act and may become a director of any Company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise, and, subject to the provisions of the Companies Act and the Articles. No such Director shall be accountable for any benefit received as Director or Shareholder of such company.

Subject to the provisions of the Companies Act, the Board may from time to time appoint any one or more of their body to be the managing director or whole time Director of the Company. A managing director or a whole time director is required to exercise the powers given to him by an agreement entered into between him and the Company and/or by a resolution of the Board and the same shall be in accordance with the provisions of the Companies Act.

Proceedings of Directors

The Directors may meet together at least once in every 3 (three) calendar months for the despatch of business adjourn and otherwise regulate their meetings and proceedings as they think fit. The participation of directors in a meeting of the Board may be either in person or through video conferring or audio visual means or teleconferencing, as may be prescribed by the Rules.

The Chairman or any Director with the previous consent of the Chairman may, and the Secretary on the instructions of the Chairman shall at any time summon a meeting of the Board.

Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

The quorum for a meeting of the Board of the Company shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher. Provided that where at any meeting the number of interested Directors exceeds or is equal to two-third of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, shall be the quorum during such time.

Save as otherwise expressly provided in the Companies Act, questions arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

If a meeting of the Board could not be held for want of quorum, then unless the Directors present at such meeting otherwise decide, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

The Directors may, from time to time, elect a Chairman and a Vice-Chairman to preside at their meetings and to exercise the powers and perform the duties ordinarily vested in a Chairman. In case both the Chairman and Vice-Chairman are not present at the meeting, the Directors shall choose one of the Directors then present to preside at the meeting. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to Section 203 of the Companies Act.

Save as otherwise expressly provided in the Companies Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held. The Board may, subject to the provisions of the Companies Act and these Articles delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

Subject to the provisions of the Companies Act and the Articles, the Board of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do, provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Companies Act or the Rules or by the Memorandum and Articles of Association of the Company or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Companies Act, or in the Memorandum & Articles of Association of the Company, or in any Rules or Regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting. However, no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

The Directors shall cause to be kept and maintained all such register and returns as are required under the Companies Act and/or the Rules.

Dividends and reserves

The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, and may fix the time for payment. No amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this clause as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Subject to the provisions of Section 123(3) of the Companies Act, the Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and dividend may, if so arranged between the Company and the members, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting which declares as dividend.

A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause entitled to become a member, or which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

Any one of several persons who are registered as joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or persons entitled or in the case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be responsible or liable for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

Winding up

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 Companies 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.

For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. 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 as the liquidator, with the like sanction shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

Subject to the provisions of the Companies Act, every Director, Manager, Managing Director, Auditor, Secretary and other officer or servants of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the discharge of his duties, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims.

Subject to the provisions of the Companies Act, no Director, auditor or other officer of the Company shall be liable for the acts, recipes, neglects or defaults or any other Director of Officer, or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatever, which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty.

An Independent Director, and a non-executive Director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of our Company on any working day (i.e. Monday to Friday and not being a bank holiday in Gujarat) between 10.00 am and 5.00 pm from the date of filing of the Information Memorandum with the Stock Exchanges until the listing of Equity Shares on the Stock Exchanges:

- Memorandum and Articles of Association of the Company, as amended till date.
- Certification of incorporation of our company dated October 15, 2007.
- Audited consolidated financial statements of our Company for the fiscal years ended March 31, 2017 and March 31, 2016.
- Audited standalone financial statements of our Company for the fiscal years ended March 31, 2017, March 31, 2016 and March 31, 2015.
- Audited financial statements of Aditya Birla Finance Limited for the fiscal years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.
- Audited financial statements of Aditya Birla Housing Finance Limited for the fiscal years ended March 31, 2017, March 31, 2016 and March 31, 2015.
- Audited consolidated financial statements of Birla Sun Life Asset Management Company Limited for the fiscal years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.
- Audited consolidated financial statements of Aditya Birla Sun Life Insurance Company Limited for the fiscal years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.
- Composite Scheme of Arrangement.
- Order dated June 1, 2017 of the National Company Law Tribunal (NCLT), Ahmedabad approving the Composite Scheme of Arrangement.
- Tripartite Agreement with NSDL, Registrar and Transfer Agent and the Company dated June 9, 2017.
- Tripartite Agreement with CDSL, Registrar and Transfer Agent and the Company dated June 22, 2017.
- Consent from the auditors for inclusion of their names as the statutory auditors and of their reports on accounts in the form and context in which they appear in the Draft Information Memorandum and the Information Memorandum.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines 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 the Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in the Information Memorandum are true and correct.

BY ORDER OF THE BOARD OF DIRECTORS OF ADITYA BIRLA CAPITAL LIMITED

Sd/-

Pinky Mehta
Director
DIN: 00020429

Sd/-

Shriram Jagetiya
Director
DIN: 01638250

Sd/-

Sailesh Daga
Company Secretary

Place: Mumbai

Date: August 16, 2017