

Ref. No.: UTI/AMC/CS/SE/2023-24/0326

Date: 1st July, 2023

National Stock Exchange of India Limited

Exchange Plaza Plot No. C / 1

G Block Bandra – Kurla Complex

Bandra (East) Mumbai – 400 051.

Scrip Symbol: UTIAMC

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001.

Scrip Code / Symbol: 543238 / UTIAMC

Sub: Notice of the 20th Annual General Meeting along with the Annual Report of the Company for the financial year ended 31st March, 2023

Dear Sir / Madam,

We would like to inform you that the 20th Annual General Meeting (AGM) of UTI Asset Management Company Limited (the Company) has been scheduled on Tuesday, the 25th July, 2023 at 1600 hrs IST through Video Conference (VC) / Other Audio Visual Means (OAVM) in compliance with the Companies Act, 2013 (the Act), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) and general circulars nos. 14/2020, 17/2020, 20/2020 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 28th December, 2022 respectively, issued by the Ministry of Corporate Affairs (MCA) and general circulars dated 12th May, 2020, 13th May, 2022 and 5th January, 2023 issued by the Securities and Exchange Board of India (SEBI) (collectively referred to as ‘the circulars’).

Pursuant to provisions of Regulation 34(1) of the SEBI Listing Regulations, we are forwarding herewith a copy of the Notice of the 20th AGM along with the Annual Report of the Company for the financial year (FY) 2022-23. The same is also available on the website of the Company at www.utimf.com.

The Notice of the 20th AGM along with the Annual Report for the FY 2022-23 have been sent to the members of the Company through electronic mode only.

Voting through Electronic Means:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, members whose name appears in the register of members / list of beneficial owners as on Tuesday, the 18th July, 2023 *i.e.* the cut-off date, shall be entitled to cast votes through electronic means.

Remote e-voting period:

The remote e-voting period will commence on Saturday, the 22nd July, 2023 from 0900 hrs IST and will end on Monday, the 24th July, 2023 at 1700 hrs IST.

Intimation of Book Closure:

The Board of Directors of the Company had, in its meeting held on 26th April, 2023, recommended a final dividend for the FY 2022-23 of ₹22 (Rupees Twenty Two only) per equity share, subject to the approval of the members at the 20th AGM.

In terms of Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, the register of members and share transfer books of the Company will remain closed from Wednesday, the 19th July, 2023 to Tuesday, the 25th July, 2023 (both days inclusive) for determining the entitlement of the final dividend to the members. The final dividend shall be paid, subject to the approval of members at the 20th AGM, to those members:

- a. whose name appears in the list of beneficial owners to be furnished by the Depositories in respect of the equity shares held in electronic form as at the end of business hours on Tuesday, the 18th July, 2023; and
- b. whose name appears as members in the Company's register of members maintained by the Registrar and Share Transfer Agent of the Company on Tuesday, the 18th July, 2023.

We request you to kindly take the aforesaid information on record and disseminate the same on your website.

Thanking you,

For **UTI Asset Management Company Limited**

Arvind Patkar
Company Secretary and Compliance Officer

Encl.: As above

UTI Asset Management Company Limited

CIN: L65991MH2002PLC137867

Registered Office: UTI Tower 'Gn' Block Bandra-Kurla Complex Bandra East Mumbai-400 051.**Website:** www.utimf.com | **E-mail:** cs@uti.co.in | **Tel. No.:** 022 6678 6666

NOTICE

Notice is hereby given that the **20th (Twentieth) Annual General Meeting (AGM)** of the members of UTI Asset Management Company Limited (**the Company**) will be held on **Tuesday, the 25th July, 2023 at 1600 hrs IST** through Video Conference (VC) / Other Audio Visual Means (OAVM) at its registered office at UTI Tower 'Gn' Block Bandra-Kurla Complex Bandra East Mumbai-400 051 (deemed venue), to transact the following businesses:

Ordinary Businesses:**1. To receive, consider and adopt:****(a) the audited standalone financial statements of the Company for the financial year ended 31st March, 2023 and the directors' report and auditor's report thereon:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"Resolved,

that pursuant to Section 129 and 134 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder and Regulation 33 read with Schedule IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audited standalone financial statements viz. balance sheet of the Company as at 31st March, 2023, statement of profit and loss, statement of changes in equity and statement of cash flow for the financial year ended 31st March, 2023 together with all the notes annexed thereto and the directors' report and auditor's report thereon, be and are hereby received, considered and adopted."

(b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2023 and the auditor's report thereon:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"Resolved,

that pursuant to Section 129 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder and Regulation 33 read with Schedule IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audited consolidated financial statements viz. balance sheet of the Company as at 31st March, 2023, statement of profit and loss, statement of changes in equity, statement of cash flow for the financial year ended 31st March, 2023 together with all the notes annexed thereto and the auditor's report thereon, be and are hereby received, considered and adopted."

2. To declare a final dividend on equity shares for the financial year ended 31st March, 2023:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"Resolved,

that pursuant to Section 123 read with rules made thereunder and Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the proposal to declare final dividend of ₹22 per equity share of the face value of ₹10 each as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31st March, 2023 to those members whose name appears in the Company's register of members / list of beneficial owners, as at the close of business hours on Tuesday, the 18th July, 2023, be and is hereby approved."

3. To re-appoint Mr. Kiran Kumar Taranía (DIN: 09637366), who retires by rotation, as a Non-Executive Nominee Director:

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution:**

"Resolved,

that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Mr. Kiran Kumar Taranía (DIN: 09637366), nominee of Punjab National Bank, who retires by rotation at this Annual General Meeting and being eligible for re-appointment, who has given his consent to act as Director of the Company, be and is hereby re-appointed as Non-Executive Nominee Director of the Company with effect from 26th July, 2023, liable to retire by rotation."

"Resolved Further,

that the Company takes note of the consent received from Mr. Kiran Kumar Taranía (DIN: 09637366) to act as a Director of the Company."

"Resolved Further,

that the Board of Directors be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as may be considered necessary, expedient and desirable and to delegate all or any of its powers herein conferred to any of its committees, director(s) or officer(s) of the Company to give effect to the above resolutions and matter incidental thereto."

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Special Business:

4. To appoint Mr. Srivatsa Desikamani (DIN: 10193489) as a Non-Executive Nominee Director:

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolution:**

“Resolved,

that pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and Article 129 of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Srivatsa Desikamani (DIN: 10193489), nominee of T. Rowe Price International Ltd, who has given his consent to act as Director of the Company and who was appointed by the Board of Directors as an Additional Director (Non-Executive Nominee Category) of the Company with effect from 9th June, 2023 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Srivatsa Desikamani (DIN: 10193489) as a Director, be and is hereby appointed as a Non-Executive Nominee Director of the Company, liable to retire by rotation.”

“Resolved Further,

that the Company takes note of the consent received from Mr. Srivatsa Desikamani (DIN: 10193489) to act as a Director of the Company.”

“Resolved Further,

that the Board of Directors be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as may be considered necessary, expedient and desirable and to delegate all or any of its powers herein conferred to any of its committees, director(s) or officer(s) of the Company to give effect to the above resolutions and matter incidental thereto.”

By Order of the Board of Directors
For **UTI Asset Management Company Limited**

Arvind Patkar
Company Secretary and Compliance Officer
Membership No.: ACS 21577

Place: Mumbai

Date: 9th June, 2023

Notes:

1. Pursuant to the general circular nos. 14/2020, 17/2020, 20/2020, 2/2022 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 5th May, 2022 and 28th December, 2022 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as ‘MCA Circulars’) and circular nos. dated 12th May, 2020, 13th May, 2022 and 5th January, 2023 respectively, issued by the Securities and Exchange Board of India (hereinafter collectively referred to as ‘SEBI Circulars’), the companies are permitted to conduct the Annual General Meeting (AGM) through Video Conference / Other Audio Visual Means (VC / OAVM). In accordance with the MCA and SEBI Circulars read with the provisions of Companies Act, 2013 (the Act) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), the 20th AGM of the members of the Company is being held through VC / OAVM without the physical presence of the members at the deemed venue.
2. The Company has appointed M/s. KFin Technologies Limited (KFinTech / E-voting Service Provider), Registrar and Share Transfer Agent (RTA) of the Company, to provide the e-voting & VC facility to conduct the AGM.
3. Pursuant to the provisions of Section 102 of the Act, a statement setting out the material facts relating to businesses under item no. 3 and 4 is annexed herein as an explanatory statement which forms part of this Notice.
4. Members joining the 20th AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Since this AGM is being convened through VC / OAVM, physical attendance of members has been dispensed with in line with the MCA and SEBI Circulars. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip are not annexed to this Notice. The venue of this AGM shall be deemed to be the registered office of the Company in accordance with the relevant provisions of the Act.
6. In accordance with Regulation 36(3) of the SEBI Listing Regulations and provisions of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the relevant details in respect of Director(s) seeking appointment / reappointment at this AGM are also annexed to this Notice. The Company has received the requisite consents / declarations from the Director(s) for their appointment / reappointment under the Act and the rules made thereunder.

NOTICE (Contd.)

7. Corporate / Institutional Members (i.e. other than Individuals, Hindu Undivided Family, Non-Resident Indians etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter etc., authorizing its representative to attend this AGM through VC / OAVM and cast vote on its behalf together with attested specimen signature(s) of the duly authorized representative(s), to the scrutinizer through email at scrutiniseramc@gmail.com with a copy marked to KFintech at evoting@kfintech.com. The file name of the attachment should be 'Corporate Name_Even No.'
8. The recorded transcript of this AGM will be disclosed on the Company's website at <https://www.utimf.com/uti-amc-shareholders/shareholders-meetings/agm/>.
9. A final dividend of ₹22/- (Rupees Twenty Two only) per equity share has been recommended by the Board of Directors for the financial year (FY) ended 31st March, 2023, subject to the approval of the members at this AGM.
10. Pursuant to provisions of the Act and the SEBI Listing Regulations, the register of members and share transfer books of the Company will remain closed from Wednesday, the 19th July, 2023 to Tuesday, the 25th July, 2023 (both days inclusive) as book closure period for determining the entitlement of members to receive final dividend, if declared by the members.
11. Dividend on equity shares, if declared by the members, will be paid on or before Friday, the 28th July, 2023 to the members having their names in the register of members / list of beneficial owners as at the close of business hours on Tuesday, the 18th July, 2023.

General Guidelines for shareholders:

12. The equity shares of the Company are traded in dematerialised form since it eliminates all risks associated with physical share certificates and to ease the portfolio management. In terms of the SEBI Listing Regulations, transmission and transposition of shares of listed companies held in physical form shall be effected only in demat mode. Further, SEBI has, vide its circular dated 25th January, 2022 on 'Issuance of Securities in dematerialised form in case of Investor Service Requests', mandated Company / RTA to issue the securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition. Accordingly, members are encouraged to dematerialize the equity shares as it will enable the Company to serve them better and to make the service requests by submitting a duly filled and signed requisite Investor Request Service (ISR) form. The ISR forms are available on the Company's and RTA's

website at <https://www.utimf.com/investors-contacts/> and <https://ris.kfintech.com> respectively.

13. Members holding shares in electronic form are requested to register / update their postal address, email addresses, mobile numbers, Permanent Account Number (PAN), bank mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code etc., with their Depository Participants (DP).
14. Pursuant to Regulation 40 of the SEBI Listing Regulations and SEBI circulars no. SEBI/HO/CFD/SSEP/CIR/P/2022/48 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 8th April, 2022 and 30th May, 2022 respectively, the stock exchanges have set up the arbitration mechanism for resolution of disputes between the listed company and its shareholder(s) pertaining to or emanating from investor services such as transfer / transmission of shares, demat / remat, issue of duplicate shares, transposition of holders etc. and investor entitlements like corporate benefits, dividend, bonus shares, rights entitlements, credit of securities in public issue, interest / coupon payments on securities etc. *The arbitration mechanism shall be initiated post exhausting all actions for resolution of complaints including through SCORES Portal.*

Accordingly, if any member has any dispute against the Company and / or the RTA on delay or default in processing their request, he or she may file for arbitration with stock exchanges post exhausting all actions for resolution of complaints. For more details, please refer the below web links of the stock exchanges to access their arbitration portal:

| Stock Exchanges | Web link for arbitration portal |
|--|---|
| National Stock Exchange of India Limited | http://tiny.cc/s1l2vz |
| BSE Limited | http://tiny.cc/m1l2vz |

15. SEBI has, vide its circular dated 3rd November, 2021 and 16th March, 2023 on 'Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination', mandated the physical shareholders to furnish / update PAN, email address, postal address, mobile number, bank account details nomination details and signature with RTA / Company and ensure that PAN is linked to Aadhaar by 1st October, 2023 or any other date as may be specified by the Central Board of Direct Taxes. Pursuant to aforesaid SEBI circular, the Company has sent individual communication to the members holding shares of the Company in physical form. Members still holding shares in physical form are requested to update their details by submitting a duly filled and signed requisite ISR form.

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Further, with effect from 1st April, 2024, any service request or complaint received from the member holding shares in physical form, will not be processed by RTA till the aforesaid details / documents are provided to RTA. In case any of the above cited documents / details are not available in the folio(s), RTA shall be constrained to freeze such folio(s) with effect from 1st October, 2023 and after 31st December, 2025, the frozen folios will be referred to by RTA / the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

16. The ISR forms required to be submitted to KFinTech at the address mentioned below:

Ms. Krishna Priya M

Senior Manager - Corporate Registry

KFin Technologies Limited

Unit: UTI Asset Management Company Limited

Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India-500 032.

Toll Free / Phone No.: 1800-309-4001

WhatsApp Number: (+91) 910-009-4099

Email: einward.ris@kfintech.com

Website: <https://www.kfintech.com> or <https://ris.kfintech.com/>

Investor Support Centre (DIY Link): <https://ris.kfintech.com/clientservices/isc>.

The documents should be e-signed if the same is being sent through email, along with the necessary documents.

17. Members are requested to note that KFinTech has launched a mobile application-KPRISM and a website <https://kprism.kfintech.com/> wherein members can view portfolios serviced by KFinTech, check dividend status, request for annual reports, change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from play store by searching for 'KPRISM'.

KFinTech has also devised a web-based portal for redressal of investors queries and the members may utilise the facility by visiting <https://ris.kfintech.com/clientservices/isc> and clicking on 'Post a Query' option for *query registration through an identity registration process*. After entering all the details related to the members holding and the desired query, the '*query registration number*' is generated. For accessing the status / response to the query submitted, the query registration number can be used at the option 'VIEW REPLY' after 24 hours. Members can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

18. In accordance with the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the members may avail the facility for making nomination in respect of the shares held by them. In case any member has not yet registered the details of his / her nominee, the same may be done by submitting the details in requisite form to their Depository Participants (DPs), in case the shares are held in electronic form and to KFinTech / the Company, in case the shares are held in physical form.

19. **Non-Resident shareholders:** Non-Resident shareholders are requested to notify the following to the Company in respect of shares held in physical form and to their DP in respect of shares held in dematerialized form:

- Indian address for sending all communications, if not provided before;
- Change in their residential status on return to India for permanent settlement; and
- Particulars of the bank account maintained with a bank in India, if not furnished earlier.

20. The Register of Directors and Key Managerial Personnel maintained under Section 170 of the Act and the Certificate from Secretarial Auditor certifying that the ESOP Scheme has been implemented in accordance with the Act, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and other applicable laws and all other documents referred to in this Notice will be made available for inspection electronically to the members during this AGM and the same may be accessed upon log-in to <https://emeetings.kfintech.com/>. All documents referred to in this Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of this AGM or on request sent to email of the Company at cs@uti.co.in.

Dispatch of Annual Report and Notice of 20th AGM and procedure for registration of email address for obtaining copy of Annual Report:

21. In compliance with MCA and SEBI Circulars, the Annual Report for FY 2022-23 and the Notice of the 20th AGM, are being sent only through electronic mode to those members whose email addresses are registered with the Company / RTA / Depositories.
22. The Annual Report for FY 2022-23 along with the Notice of the 20th AGM is also available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/>, on the website of National Stock Exchange of India Limited and BSE

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Limited (collectively referred as 'Stock Exchanges') at www.nseindia.com and www.bseindia.com respectively, and on the website of KFintech at <https://evoting.kfintech.com/>.

23. Members may request for a hard copy of the aforesaid documents by sending an email request at einward.ris@kfintech.com or cs@uti.co.in.
24. Members are requested to register / update their email addresses with the Company / DPs for receiving all communication including Annual Report and other Notices from the Company through electronic means.

Procedure for remote e-voting and e-voting at the 20th AGM:

25. In compliance with Section 108 of the Act read together with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, SS-2, and relevant MCA and SEBI Circulars, the members may cast their votes on electronic voting system from any place (remote e-voting). The Company has engaged 'KFintech' as the agency to provide e-voting facility. The manner of voting by (i) individual members holding shares of the Company in demat mode, (ii) members other than individuals holding shares of the Company in demat mode and (iii) members holding shares of the Company in physical mode, is explained in the instructions given under point no. 38 herein below.
26. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on 'e-Voting Facility Provided by Listed Entities', e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
27. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP), thereby, not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.
28. The members holding shares either in physical form or demat form, whose names appear in the register of members / list of beneficial owners as on Tuesday, the 18th July, 2023 *i.e.* cut-off date, are entitled to vote on resolutions set forth in this Notice. A person who is not the member of the Company as on the cut-off date shall treat this Notice for information purpose only. Once the vote on resolution(s) is cast by the member, the member shall not be allowed to change it subsequently.
29. Any person, who acquires shares of the Company and becomes a member of the Company after sending of this Notice and holding shares as of the cut-off date, may refer the detailed instructions mentioned below on remote

e-voting as well as attending this AGM through VC / OAVM and casting votes during this AGM.

30. Such person may obtain the login id and password by sending an email request at evoting@kfintech.com. However, if he / she is already registered with KFintech for remote e-voting then he /she can use his / her existing user id and password for casting the vote.
31. The remote e-voting period will commence at 0900 hrs IST on Saturday, the 22nd July, 2023 and will end at 1700 hrs IST on Monday, the 24th July, 2023.
32. The facility for e-voting shall also be made available at this AGM. The members, who have cast their vote prior to the AGM by remote e-voting, may attend the AGM but shall not be entitled to vote again. Further, a vote once cast by way of remote e-voting or at this AGM cannot be changed.
33. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
34. In case of joint holders attending this AGM, only such joint holder whose name appears as the first holder in the order of names as per register of member / list of beneficial owners will be entitled to vote at this AGM, provided that the votes are not already cast by remote e-voting.
35. The Board of Directors has appointed Vishal N. Manseta, Practicing Company Secretary (ACS 25183 and CP No. 8981), as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner for the AGM and he has also submitted his consent to act as Scrutinizer.
36. The Scrutinizer will, after the conclusion of e-voting at the 20th AGM, first count the votes cast during the 20th AGM, thereafter unblock the votes cast through remote e-voting, not later than two working days of conclusion of 20th AGM, and prepare a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company. The results of the voting along with the Scrutinizer's Report will be announced within two working days of the conclusion of the 20th AGM, and the same will also be placed on the website of the Company, the stock exchanges and KFintech. The results will also be displayed at the registered office of the Company in accordance with SS-2.
37. Pursuant to the provisions of Section 107 of the Act, the voting on resolutions, as set out in this Notice, is conducted through electronic means, and therefore, the said resolutions will not be decided on a show of hands at this AGM. The resolutions, mentioned in this Notice, if approved by the members, shall be deemed to be passed on the date of the 20th AGM *i.e.* Tuesday, the 25th July, 2023.

NOTICE (Contd.)

38. The process and manner for remote e-voting is explained herein below:

Step 1: Access to Depositories e-voting system of National Securities Depository Limited (NSDL) and Central Depository (Services) India Limited (CDSL) in case of individual members holding shares in demat mode.

| Type of members | Login Method |
|---|---|
| Individual members holding shares in demat mode with NSDL | <p>1. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> Visit URL: https://eservices.nsdl.com. Click on the 'Beneficial Owner' icon under 'IDeAS' section. On the new page, enter User ID and Password or select OTP based login. Post successful authentication, click on 'Access to e-voting'. Click on company name or e-voting service provider (ESP) and you will be re-directed to ESP website for casting the vote during the remote e-voting period. <p>2. User not registered for IDeAS facility:</p> <ol style="list-style-type: none"> To register click on link: https://eservices.nsdl.com. Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in point no. 1 above. <p>3. Alternatively, by directly accessing the e-voting website of NSDL:</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/. Click on the icon 'Login' which is available under 'Shareholder / Member' section. A new screen will open. Enter your user id (<i>i.e.</i> your sixteen digit demat account number held with NSDL), Password / OTP and a verification code as shown on the screen. Post successful authentication, you will be redirected to NSDL site wherein you can see e-voting page. You will be requested to select the name of the company and the ESP name, <i>i.e.</i> KFinTech. On successful selection, you will be redirected to KFinTech e-voting page for casting your vote during the remote e-voting period. |
| Individual members holding shares in demat mode with CDSL | <p>1. Existing user who have opted for Easi / Easiest:</p> <ol style="list-style-type: none"> Visit URL: www.cdslindia.com. and click on login and select 'Myeasi New' or click on https://web.cdslindia.com/myeasi/home/login. Login with your registered user id and password. Click on 'E Voting' to access e-voting page without any further authentication. Click on ESP name to cast your vote. <p>2. User not registered for Easi / Easiest:</p> <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Proceed with completing the required fields. Follow the steps given in point no.1 above. <p>3. Alternatively, by directly accessing the e-voting website of CDSL:</p> <ol style="list-style-type: none"> Visit URL: www.cdslindia.com. Click on 'E Voting' to access e-voting page. Provide your demat account number and PAN. System will authenticate user by sending OTP on registered mobile & email address as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP, <i>i.e.</i> KFinTech where the e-voting is in progress. |
| Individual members login through their demat accounts / Website of DP | <ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or ESP and you will be redirected to e-voting website of ESP for casting your vote during the remote e-voting period without any further authentication. |

Important note: Members who are unable to retrieve user id / password are advised to use 'forgot user id' and / or 'forgot password' option available at above mentioned websites.

NOTICE (Contd.)

Helpdesk for individual members holding shares in demat mode for any technical issues related to login through Depository *i.e.* NSDL and CDSL.

| Login type | Helpdesk details |
|-----------------------|--|
| Shares held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30. |
| Shares held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33. |

Step 2: Access to KFintech e-voting system in case of members holding shares in physical mode and non-individual members in demat mode.

- (A) Members whose email id are registered with the Company / DPs, will receive an email from KFintech which will include details of e-voting event number (EVEN), user id and password. They will have to follow the following process to cast their vote:
- Visit: <https://emeetings.kfintech.com/>.
 - Enter the login credentials (*i.e.* user id and password). In case of physical folio, user id will be EVEN *i.e.* 7329, followed by folio number. In case of demat account, user id will be your DP id and Client id. However, if you are already registered with KFintech for e-voting, you can use your existing user id and password for casting the vote.
 - After entering these details appropriately, click on 'LOGIN'.
 - You will now reach password change menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, *etc.*). The system will prompt you to change your password and update your contact details like mobile number, email id, *etc.* on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - You need to login again with the new credentials.
 - On successful login, the system will prompt you to select the 'EVEN' *i.e.* 7329 'UTI Asset Management Company Limited - AGM' and click on 'Submit'.
 - On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially 'AGAINST' but the total number in 'FOR / AGAINST' taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option 'ABSTAIN'. If the member does not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.
- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- ix. You may then cast your vote by selecting an appropriate option and click on 'SUBMIT'.
- x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote.
- (B) Members whose email id are not registered with the Company / DPs, and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of this Notice and e-voting instructions along with the user id and password. The member can update this details by submitting requisite ISR forms with KFintech.
 - Alternatively, members may send an email request at einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy, in case of electronic folio and copy of share certificate, in case of physical folio, for sending the Annual report, this Notice and the e-voting instructions.
 - Members who have registered their email address, mobile number, postal address and bank account details are requested to validate / update their registered details by contacting the DP, in case of shares are held in electronic form or by contacting KFintech, in case the shares are held in physical form.
 - After receiving the e-voting instructions, please follow all steps mentioned above to cast your vote by electronic means.
 - The details of persons to be contacted for issues relating to e-voting are provided at point no. 16 above.

NOTICE (Contd.)

39. Process for joining the AGM through VC / OAVM:

Instructions for all the members for attending this AGM of the Company through VC / OAVM and e-voting during the meeting.

- i. Members have been provided with the facility to attend this AGM through VC / OAVM platform of Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials (user id and password) provided in the email sent by the Company / Kfintech.
- ii. After logging in, click on the 'Video Conference' tab and select the 'EVEN' of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting.
- iii. Please note that the members who do not have user id and password for e-voting or have forgotten the user id and password may retrieve the same by following the remote e-voting instructions as mentioned above.
- iv. Facility of joining the AGM through VC / OAVM shall be open 15 minutes before the time scheduled for this AGM and will be available for members on first come first served basis. The members can join this AGM up to 15 minutes after the scheduled time of this AGM by following the procedure mentioned in this Notice.
- v. Members are encouraged to join this AGM through laptops / desktops by using web browsers-Google Chrome (preferred browser), Safari, Microsoft Edge or Mozilla Firefox 22.
- vi. Members will be required to grant access to the webcam to enable VC / OAVM. The quality of OAVM will depend upon the internet connectivity of your device. It is therefore recommended to use stable Wi-Fi or LAN connection to avoid any kind of aforesaid glitches.
- vii. The window for e-voting at this AGM shall be activated upon instruction of the Chairman of the Company.
- viii. The members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The members may click on the voting icon displayed on the screen to cast their votes during this AGM.
- ix. A member can opt for only one mode of voting *i.e.* through remote e-voting or voting at this AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- x. Facility of joining this AGM through VC / OAVM shall be available for at least 2000 members on first come first serve basis. However, please note that pursuant to the MCA circulars, Large Shareholders (*i.e.* shareholders holding 2% or more shareholding), Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit

Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors *etc.* shall be allowed to attend the meeting without restriction on account of first come first serve principle.

- xi. Institutional members are encouraged to attend this AGM through VC / OAVM and vote through remote e-voting before this AGM.
- xii. In case a person has become a member of the Company after dispatch of this Notice but on or before the cut-off date for e-voting, he / she may obtain the user id and password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No. / DP ID & Client ID, the member may send SMS: MYEPWD <space> e-voting Event Number+Folio No. or DP ID & Client ID to 9212993399
 - I. Example for NSDL:
MYEPWD <SPACE> IN12345612345678
 - II. Example for CDSL:
MYEPWD<SPACE> 1402345612345678
 - III. Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - b. If email address or mobile number of the member is registered against Folio No. / DP ID & Client ID, then on the home page of <https://emeetings.kfintech.com/>, the member may click 'Forgot Password' and enter Folio No. or DP ID & Client ID and PAN to generate a password. However, if the member is already registered with Kfintech for remote e-voting then member can use his / her existing user id and password for casting the vote.
- xiii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1800 309 4001 or write to them at evoting@kfintech.com.

Submission of Questions / queries:

40. As this AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of this AGM, members desiring any additional information with regard to Accounts / Annual Report or want to express their views or have any question or query are requested to write to the Company at cs@uti.co.in along with their details *viz.* name, demat account number / folio number, email address, mobile number, at least 2 days before the date of this AGM (*i.e.* on or before the 23rd July, 2023 till 1700 hrs IST) so as to enable the management to keep the answers ready. Please mention the subject line as "20th AGM". Please note that member's question(s) / query(ies) will be considered and responded during this AGM only if they continue to hold the shares as on cut-off date.

NOTICE (Contd.)

41. **Post your Question:** The members who wish to post their questions prior to this AGM can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will be opened from Friday, the 21st July, 2023 (from 0900 hrs IST) to Sunday, the 23rd July, 2023 (till 1700 hrs IST). Under 'Post Your Question' option, members will be required to fill in email id, mobile number and questions of up to 500 characters including special characters.
42. **Speaker Registration:** The members who wish to speak during this AGM may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will be open from Saturday, the 22nd July, 2023 (from 0900 hrs IST) to Monday, the 24th July, 2023 (till 1700 hrs IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at this AGM, only to those members who have registered themselves, depending on the availability of time for this AGM.
43. In case of any query and / or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the download section at KFintech website at <https://evoting.kfintech.com> or may write to KFintech at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

Dividend Related Information:

44. In accordance with the provisions of Section 90 of the Income Tax Act, 1961 (the IT Act), as amended, read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020 dividend paid or declared / distributed by the Company shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, shareholders are requested to submit the following documents in accordance with the provisions of the IT Act:
- i For resident shareholders, TDS shall be made under Section 194 of the IT Act at 10% (Subject to change) on the amount of Dividend declared and paid by the Company in FY 2023-24, provided PAN is registered by the shareholder. If PAN is not registered and not linked to Aadhar within prescribed timelines (unless there is an extension in due date), TDS would be deducted at 20% as per Section 206AA of the IT Act.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend amount does not exceed ₹ 5,000 and also in cases where shareholders provide Form 15G (applicable to any person other than a HUF, Company or a Firm) / Form 15H (applicable to individuals aged 60 years or more) subject to the fulfilment of the conditions specified in the IT Act. Registered shareholders may also submit any other document(s) as prescribed under the IT Act to claim a lower / Nil withholding tax. Self-attested PAN is mandatory for shareholders providing Form 15G / Form 15H or any other document(s) as mentioned above.

In order to provide exemption from withholding of tax, the following resident non-individual shareholders must provide a self-declaration as listed below:

- a. **Insurance companies:** A declaration that they are beneficial owners of shares held and qualify as insurers under the Insurance Act, 1938 along with self-attested PAN.
- b. **Mutual Funds:** A declaration that they are governed by the provisions of section 10 (23D) of IT Act along with copy of SEBI registration certificate and self-attested PAN.
- c. **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under section 10 (23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of SEBI registration certificate along with self-attested PAN should be provided.

The resident non-individual shareholders *i.e.* Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and non-resident non-individual shareholders *i.e.* Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian which is registered on NSDL / CSDL platform, on or before the 18th July, 2023.

In case where the shareholders provide certificate under Section 197 of the IT Act for lower / Nil withholding of taxes, rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

- ii For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in-force at the cut-off date. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or at the rate as notified by the Government of India on the amount

NOTICE (Contd.)

of dividend payable. However, as per the provision of Section 19 of the IT Act, non-resident shareholders have an option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member(s), if they are more beneficial to them. To avail this benefit under the DTAA, non-resident shareholders will have to provide the following:

- a. Self-attested copy of PAN, if any, allotted by the Indian income tax authorities or details prescribed under Rule 37BC of the Income Tax Rules, 1962;
- b. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident;
- c. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- d. Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- e. Self-declaration of beneficial ownership by the non-resident shareholder;
- f. Self-attested copy of SEBI registration certificate in case of foreign institutional investors and foreign portfolio investors.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review of the documents by the Company.

Notwithstanding the above, tax shall be deducted at source at 20% (plus applicable surcharge and cess) on dividend paid to foreign institutional investors and foreign portfolio investors under Section 196D of the IT Act. Such TDS rate shall not be reduced on account of the application of the lower DTAA rate, if any.

iii Section 206AB of the IT Act:

Rate of TDS @10% under Section 194 of the IT Act is subject to provisions of Section 206AB of IT Act (effective from 1st July, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in Section 206AB, tax is required to be deducted at the highest of following rates in case of payments to specified persons:

- a at twice the rate specified in the relevant provision of the IT Act; or
- b at twice the rate or rates in force; or
- c at the rate of 5%.

Where Section 206AA and Section 206AB are applicable simultaneously *i.e.* the specified person has not submitted the PAN as well as not filed returns; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub-section (3) of section 206AB of the IT Act who satisfies the following conditions:

- i A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the IT Act has expired; and
- ii The aggregate of TDS and TCS in his / her case is ₹ 50,000 or more in each of these two previous years. The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than Tuesday, the 18th July, 2023.

To summarize, dividend will be paid after deducting the tax at source as under:

- i. NIL, for resident shareholders receiving dividend upto ₹ 5,000 or in case Form 15G / Form 15H (as applicable) along with self-attested PAN is submitted.
- ii. 10%, for resident shareholders in case self-attested PAN is provided / available and the same should be linked with aadhar.
- iii. 20%, for resident shareholders, if self-attested PAN is not provided / not available.
- iv. 20%, plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted.
- v. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- vi. Lower / Nil TDS on submission of self-attested copy of the certificate issued under Section 197 of the IT Act.

Kindly note that the aforementioned documents should be submitted to Kfintech through <https://ris.kfintech.com/form15> for resident / NRI shareholders or email to inward.ris@kfintech.com. No communication on the tax determination / deduction shall be entertained after Tuesday, the 18th July, 2023.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details /

NOTICE (Contd.)

documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.

Disclaimer: The Notes on TDS as mentioned herein, set out the summary of applicable material provisions in India pertaining to TDS on Dividend payment by the Company, and is subject to amendment(s), if any from time to time and does not purport to be a complete and / or detailed analysis or listing of all potential tax consequences and / or applicability. The shareholders should consult their own tax advisor, as may be required, for the tax provisions applicable to them.

Declaration under Rule 37BA

As per Rule 37BA, in case where the dividend is received in the hands of one person but is assessable in the hands of other person, the TDS credit may be done in the name of such other person if the first mentioned person provides a declaration as prescribed in this regard. We request you to provide any such details latest by Tuesday, the 18th July, 2023.

45. We request you to submit / update your bank account details with your DP, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a duly filled and signed Form ISR-1, along with requisite documents, to update the details with KFintech. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear the shareholders name, please attach a copy of the bank pass-book statement, duly self- attested. We also request you to register your email address and mobile number with the Company or the RTA at einward.ris@kfintech.com. Dividends will be paid through electronic mode to members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of members who have not updated their bank account details.
46. Pursuant to the provisions of Section 124 and Section 125 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended, there is no amount of dividend remaining unclaimed / unpaid for a period of 7 (seven) years and / or unclaimed equity shares which are required to be transferred to the Investor Education and Protection Fund (IEPF). Members are requested to note that the dividend remaining unclaimed for a continuous period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the designated demat account of the IEPF. In addition, all equity shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of 30 (thirty) days of such equity shares becoming due to be transferred to the IEPF. Members are entitled to claim shares and unclaimed dividends transferred to the IEPF authority back from the IEPF authority.
47. Pursuant to the relevant provisions of the IEPF Rules, the details *inter-alia* the names and last known addresses of the persons entitled to receive the sums lying in the account referred to in Section 125(2) of the Act, nature of the amount, the amount to which each person is entitled and due date for transfer to IEPF are available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/unclaimed-dividend/> and this information is also available on the website of the IEPF authority. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with KFintech, before the unclaimed dividends are transferred to the IEPF.

NOTICE (Contd.)

EXPLANATORY STATEMENTS:

As required under Section 102 of the Companies Act, 2013, the explanatory statement setting out all material facts relating to the businesses mentioned in the accompanying Notice is as under:

Item No. 3

Pursuant to Section 152 of the Companies Act, 2013 (the Act) read with the relevant rules made thereunder and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), Mr. Kiran Kumar Taranía (DIN: 09637366) retires by rotation at this AGM as a Non-Executive Nominee Director of the Company and being eligible offers himself for re-appointment.

The brief profile of Mr. Kiran Kumar Taranía is as under:

| | |
|-------------------------|---|
| Present Position | He is currently the General Manager-Treasury Division at Punjab National Bank. |
| Education | He holds a B.Com (Hons), Masters of Management Studies and Certified Associate of Indian Institute of Bankers. |
| Experience | He is a finance professional with over 33 years of demonstrated history of work experience in banking industry. He has vast experience in treasury management, risk management, corporate credit & general banking. |
| Ability | He has analytical ability and urge to delve into details of responsibility areas; and an ability to lead through data driven decision making and innovation. |

The Company has received all statutory disclosures / declarations from Mr. Kiran Kumar Taranía including (i) consent in writing to act as a director, and (ii) intimation to the effect that he is not disqualified under Section 164(2) of the Act. He is also not debarred from holding the office of director pursuant to any order issued by the Securities and Exchange Board of India (SEBI) or any other such statutory authority.

Pursuant to the provisions of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the relevant details of Mr. Kiran Kumar Taranía are provided in **Annexure-I** to this Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of this Notice for the re-appointment of Mr. Kiran Kumar Taranía as a Non-Executive Nominee Director of the Company with effect from 26th July, 2023, liable to retire by rotation.

Save and except Mr. Kiran Kumar Taranía and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 of this Notice.

Item No. 4

The Company has received a letter from T. Rowe Price International Ltd holding 22.96% of the equity shares of the Company, nominating Mr. Srivatsa Desikamani (DIN: 10193489) as Director on the Board of the Company in exercise of its right under Article 129 of the Articles of Association of the Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors had approved the appointment of Mr. Srivatsa Desikamani (DIN: 10193489) as an Additional Director (Non-Executive Nominee Category) of the Company, with effect from 9th June, 2023 and he shall hold office upto the date of this Annual General Meeting.

The brief profile of Mr. Srivatsa Desikamani is as under:

| | |
|-------------------------|---|
| Present Position | He is Head of Strategy and Corporate Development at T. Rowe Price. He is a Vice President of T. Rowe Price Associates, Inc. and T. Rowe Price Group, Inc. |
| Education | He has a bachelor's degree in engineering from Birla Institute of Technology and Science, Pilani, India, MS in Computer Science from the University of Delaware and M.B.A. from the Tuck School of Business, Dartmouth. |
| Experience | He has more than 15 years of experience in asset management and financial industry. In his current role, he oversees the development of firm wide strategy, strategic initiatives, corporate development, and Merger & Acquisition activities for the firm. From 2013-2021, He was at Janus Henderson group (JHG), most recently as the Global Head of Strategy and Corporate Development and an advisory member of the Executive Committee. He led the areas of corporate strategy, strategic finance, planning and corporate development at JHG. While at JHG, he led the merger of Janus Capital Group with Henderson Plc, the acquisitions of Kapstream Inc. (Australian Fixed Income manager), Velocity Shares (Exchange Traded product manager), the divestiture of Geneva Capital Management, and other significant strategic ventures. Prior to Janus Henderson, he was at McKinsey & Co. in New York, where he served a variety of global asset management, banking, and financial services firms and was a leader in the asset management vertical within Financial Services. |

The Company has received all statutory disclosures / declarations from Mr. Srivatsa Desikamani including (i) consent in writing to act as director, and (ii) intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 (the Act). He is also not debarred from holding the office of director pursuant to any order issued by the Securities and Exchange Board of India (SEBI) or any other such statutory authority.

NOTICE (Contd.)

As required under Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Mr. Srivatsa Desikamani for appointment as director.

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Mr. Srivatsa Desikamani are provided in **Annexure-I** to this Notice.

Pursuant to the provisions of Section 152 of the Act, he will be appointed as the director of the Company at the general meeting.

The Board of Directors recommends the **Ordinary Resolution** set out at Item No. 4 of the Notice for the appointment of Mr. Srivatsa Desikamani as a Non-Executive Nominee Director of the Company with effect from 26th July, 2023, liable to retire by rotation.

Save and except Mr. Srivatsa Desikamani and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4 of this Notice.

NOTICE (Contd.)

Annexure-I

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the details of directors proposed to be appointed / re-appointed at this AGM are as under:

| Particulars | Details | |
|---|---|--|
| Name of the Director | Mr. Kiran Kumar Tarania | Mr. Srivatsa Desikamani |
| DIN | 09637366 | 10193489 |
| Date of Birth | 10th September, 1964 | 2nd August, 1976 |
| Age | 58 Years | 47 Years |
| Original Date of Appointment | 26th July, 2022 | 9th June, 2023 |
| Nationality | Indian | USA |
| Brief profile including experience, nature of expertise in specific functional areas and qualification | <p>Mr. Kiran Kumar Tarania is a Non-Executive Nominee Director of the Company. He is currently the General Manager-Treasury Division at Punjab National Bank. He is an accomplished finance professional with over 33 years of demonstrated history of work experience in banking industry. He has a vast experience in treasury management, risk management, corporate credit & general banking. He holds a B.Com (Hons) and a Masters of Management Studies degree and is a Certified Associate of Indian Institute of Bankers.</p> | <p>Mr. Srivatsa Desikamani is Head of Strategy and Corporate Development at T. Rowe Price. He is a Vice President of T. Rowe Price Associates, Inc. and T. Rowe Price Group, Inc. In his current role, he oversees the development of firm wide strategy, strategic initiatives, corporate development, and merger & acquisition activities for the firm. From 2013-2021, he was at Janus Henderson group (JHG), most recently as the Global Head of Strategy and Corporate Development and an advisory member of the Executive Committee. He led the areas of corporate strategy, strategic finance, planning, and corporate development at JHG. While at JHG, he led the merger of Janus Capital Group with Henderson Plc, the acquisitions of Kapstream Inc. (Australian Fixed Income manager), VelocityShares (Exchange Traded product manager), the divestiture of Geneva Capital Management, and other significant strategic ventures. Prior to Janus Henderson, he was at McKinsey & Co. in New York, where he served a variety of global asset management, banking, and financial services firms and was a leader in the asset management vertical within Financial Services. He has a bachelor's degree, in engineering from Birla Institute of Technology and Science in Pilani, India, MS in Computer Science from the University of Delaware, and M.B.A. from the Tuck School of Business, Dartmouth. He has more than 15 years of asset management and financial industry experience.</p> |
| Remuneration last drawn and sought to be paid | Not Applicable* | Not Applicable* |

NOTICE (Contd.)

| Particulars | Details | |
|--|--|--|
| Number of Board Meetings attended during the financial year 2022-23 | 6 out of 7 | Not Applicable, Mr. Srivatsa Desikamani was appointed on the Board of Company with effect from 9th June, 2023. |
| Directorships in other listed entities including listed entities from which Director has resigned in the past three years | None | None |
| Directorship in other Companies | Swift India Domestic Services Private Limited | Nil |
| Membership / Chairmanship of Committees of the Board in other Companies | Nil | Nil |
| Number of shares held including shareholding as a beneficial owner | Nil | Nil |
| Relationship with other directors and KMP <i>inter-se</i> | Mr. Kiran Kumar Tarania is not related to any other Director and / or Key Managerial Personnel of the Company. | Mr. Srivatsa Desikamani is not related to any other Director and / or Key Managerial Personnel of the Company. |
| Terms & Conditions of appointment | Please refer explanatory statement for Item no. 3. | Please refer explanatory statement for Item no. 4. |

* The Non-Executive Nominee Directors were not paid remuneration or sitting fees for attending Board or Committee meetings either in person or through video conference.



**CONVICTION.
CAPABILITIES.
COMMITMENT.**

UTI Asset Management Company Limited

Annual Report **2022-23**





Conviction. Capabilities. Commitment.



Our Annual Report cover pictorially represents investors showing multiple generations who invested in UTI AMC. Additionally, the use of images of trees and solar panels on the cover is in line with our commitment towards ESG. The cover is a reflection of our commitment to all our stakeholders and our unwavering dedication to exceed their expectations. At UTI AMC, we believe in delivering experiences to our stakeholders by going above and beyond, while prioritising sustainability in our actions. Our performance-driven organisation with a clear purpose has established us as a trusted brand in the industry, and a well-rounded approach has been instrumental in our success.

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Investor Information

₹ 8,151.72 crore

Market Capitalisation as on 31st March, 2023

| | |
|--------------------------|---|
| CIN | : L65991MH2002PLC137867 |
| BSE Code | : 543238 |
| NSE Symbol | : UTIAMC |
| Dividend Declared | : ₹ 22 per share |
| AGM Date | : 25th July, 2023 |
| AGM Mode/Venue | : Video Conference/Other Audio Visual Means |

Disclaimer: This document contains statements about expected future events and financials of UTI AMC, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

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Or simply scan to download:

Conviction. Capabilities. Commitment.

India's remarkable economic progress has garnered significant attention from global investors with the nation emerging as one of the fastest-growing economies worldwide, displaying immense potential for further growth.

The ambition of its young and dynamic population, coupled with a growing interest in capital markets and a disciplined approach to savings and investments, makes it an exciting time for the nation's financial future. At UTI Asset Management Company Limited (UTI AMC), we are deeply committed to driving this growth and propelling the financial prosperity forward.

Our focus on building strong partnerships with our investors and stakeholders is at the heart of our success. By continuously strengthening our capabilities and staying true to our convictions, we are well-positioned to deliver sustained value for years to come.

As we make strides towards continuous value addition and growth, we remain dedicated to maintaining the highest standards of excellence, supported by prudent investment management practices and a commitment to conduct ourselves with utmost integrity.

Our dedication extends beyond our offerings; we also strive to be a responsible corporate citizen and a respected employer, continuously evolving to become the most preferred wealth manager in the wider community's eyes. Our drive towards sustainable growth is supported by our focus on investing in responsible business practices, reflecting our conviction that long-term value creation goes hand-in-hand with social and environmental responsibility.

At UTI AMC, we are driven by our unwavering commitment, conviction, and capabilities to deliver sustained value for our investors and stakeholders, and to contribute to India's remarkable economic progress.



Our Approach to Reporting



Basis of Reporting

This Report is prepared based on the <IR> framework guidelines developed by the Value Reporting Foundation (VRF). It contains comprehensive information on our operational and financial performances. It elaborates how this influences our strategic direction, resulting in our ability to create sustainable value.



Reporting Standards and Frameworks

In this Report, we have attempted to bring in more transparency and accountability through additional disclosures and information, following the guiding principles of the VRF. The other statutory reports, including the Directors' Report, Management Discussion and Analysis (MD&A) section, the Corporate Governance Report and the Business Responsibility and Sustainability Report, are in line with the Companies Act, 2013 (and the rules made thereunder), Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the prescribed Secretarial Standards.



Our Approach to Reporting

Through this Report, we aspire to provide our stakeholders with an overall depiction of the organisation's value-creation ability using both financial and non-financial resources. The Report provides insights into our key strategies, operating environment, material issues emanating from our stakeholder engagements and their respective mitigation strategies, operating risks and opportunities, governance structure and our approach to long-term sustainability.



Management Assurance

The Board of Directors believes that this Report presents a true and fair account of our Company's financial and non-financial matters, performance, and business model. It acknowledges our responsibilities to ensure the integrity of this Report.



Reporting Period, Scope and Boundary

The reporting period for this Integrated Report is 1st April, 2022 to 31st March, 2023. It provides an overview of our operations and business development activities. The Report further covers information on our business segments in India and abroad and associated activities that enable short, medium and long-term value creation.

Committed to Transparent Governance

Driven by our rich legacy, UTI AMC is committed to raising the bar for governance in the industry. We understand that effective decision-making, risk management, accountability, and transparency are crucial to our success. With stringent processes in place, we make informed decisions that align with our values and goals, minimising risk while upholding the trust of our diverse stakeholders. Therefore we remain steadfast in our commitment to transparent governance, ensuring that we maintain the highest standards and exceed expectations.

With the invaluable guidance and constant support of our Board of Directors, Trustees and Senior Management, we are confident of our ability to progress in the right direction steadily. It is with immense pride we state that:



As a professionally managed listed company, we have no identifiable promoters, and our large shareholder base comprises prominent Indian and foreign institutional investors.



Our Board of Directors comprises a strong independent panel, with 6 out of 10 members being Independent Directors. This reinforces our focus on transparent governance and unbiased decision-making.



We are proud to have 2 Women Independent Directors on our Board, reflecting our commitment to gender diversity and inclusivity in leadership.

The Visionary Minds Steering The Company: Our Board of Directors



Mr. Dinesh Kumar Mehrotra

Dinesh Kumar Mehrotra is the Non-Executive Chairman and Independent Director of the Company. He has previously served as the Chairman and the Managing Director of LIC. He has also served as the Executive Director of International Operations at LIC. He holds a B.Sc. (Honours) degree from the University of Patna. The shareholders approved his appointment as an Independent Director of the Company at the Annual General Meeting held on 23rd August, 2017.



Mr. Edward Cage Bernard

Edward Cage Bernard is a Non-Executive Nominee Director of the Company. Prior to joining the Company, he was associated with the TRP Group as Vice Chairman, T. Rowe Price Group Inc. as a Director on the Board and as a member of the firm's Management Committee. Currently, he is also associated with T. Rowe Price Group Inc. as a Senior Advisor. He holds a B.A. degree in Religious Studies from Brown University and is an MBA in Finance from the New York University Leonard N. Stern School of Business. The shareholders approved his appointment as a Nominee Director of the Company at the Annual General Meeting held on 28th July, 2021.



Mr. Flemming Madsen

Flemming Madsen is a Non-Executive Director of the Company. He is the Head of Global Financial Intermediaries at T. Rowe Price. He is a Vice President of T. Rowe Price Group, Inc., T. Rowe Price International Limited and member of the EMEA Distribution Executive Committee. He has been associated with T. Rowe Price for 23 years. His total 39 years' experience in the financial industry includes Capital Markets Transactions, Investment Banking, and Asset Management. The shareholders approved his appointment as a Non-Executive Nominee Director of the Company at the Annual General Meeting held on 25th July, 2022.



Mr. Narasimhan Seshadri

Narasimhan Seshadri is an Independent Director of our Company. He has over four decades of experience in the banking industry, having served two major public sector banks viz. Canara Bank and Bank of India. Prior to joining the Company, he was a Director on the Board of NPCI and a Whole-Time Executive Director on the Board of Bank of India. He holds a Master's Degree in Commerce from the Bangalore University, Masters in Divya Prabandam M.A. (DP) from SASTRA University and Masters in Banking and Finance (MBA Banking and Finance) from IGNOU. He is a Certified Associate of the Indian Institute of Bankers. The shareholders approved his appointment as an Independent Director of the Company at the Annual General Meeting held on 23rd August, 2017.



Mr. Deepak Kumar Chatterjee

Deepak Kumar Chatterjee is an Independent Director of the Company. Prior to joining the Company, he was associated with SBI Funds Management Private Limited as the Managing Director and Chief Executive Officer and SBI Capital Markets Limited as the Executive Vice President. He was also associated with IIFCL Projects Limited as its Chief Executive Officer and IIFCL Asset Management Company Limited as a Director. He holds a B.Sc. (Honours) degree in Physics from the University of Delhi, an M.Sc. degree in Agricultural Physics from the Indian Agricultural Research Institute, New Delhi and an MBA from the University of Delhi. He is also a Certified Associate of the Indian Institute of Bankers. The shareholders approved his appointment as an Independent Director of the Company at the Annual General Meeting held on 25th September, 2018.



Mr. Rajeev Kakar

Rajeev Kakar is an Independent Director of the Company. He currently serves on the Boards of various banks and financial institutions such as Eurobank Ergasias SA (Greece), Gulf International Bank (GIB Bahrain), Gulf International Bank (GIB Saudi Arabia) and Commercial International Bank (Egypt). He started his career in 1988 at Citibank NA, where he worked for 18 years and, in his last role, was the Managing Director and Division Head for Turkey, Middle East and Africa region. In 2006, he moved to become the Global co-founder of Fullerton Financial Holdings Pte. Limited, headquartered in Singapore (a wholly owned subsidiary of Temasek Holdings Pte. Limited, Singapore), where he served for 11 years in various roles, including serving on its Global Management Board, as its Executive Vice President, Head of Consumer Banking and Head of Central and Eastern Europe, Middle East and Africa region. Simultaneously, he also was the Founder of Dunia Finance LLC in UAE, where he operated as its Managing Director and Chief Executive Officer. He holds a B. Tech. degree in Mechanical Engineering from the Indian Institute of Technology, Delhi, and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. The shareholders approved his appointment as an Independent Director of the Company at the Extra Ordinary General Meeting held on 16th December, 2019.



Ms. Dipali Sheth

Dipali Sheth is an Independent Director of the Company. She serves as an Independent Director on the Boards of four other companies. Prior to joining the Company, she was associated with RBS Business Services Private Limited as the Country Head of Human Resources, Standard Chartered Bank as Head of HR South Asia, Procter & Gamble Distribution Company Limited and DCM Limited. She holds a B.A. (Honours) degree in Economics from the University of Delhi, passed out from the DCM Management Centre, and is an accredited Coach from ICF and Gallup, USA. The shareholders approved her appointment as an Independent Director of the Company at the Extra Ordinary General Meeting held on 16th December, 2019.



Ms. Jayashree Vaidhyanathan

Jayashree Vaidhyanathan is an Independent Director of the Company. She currently serves as a co-founder and CEO of BCT Digital, a technology company specialising in AI and Predictive Analytics. Prior to BCT, she was associated with Scope International Private Limited as Head of Technology and Strategy and served as a partner with Accenture Services Private Limited. She has also served as an Independent Director in Altran, a US\$ 3.2 bn Global Engineering and Innovation consulting firm and Mahindra Sanyo Steel. She holds a B.E. degree in Computer Science Engineering from the University of Madras and an MBA from Cornell University. She is also a Chartered Financial Analyst from the Association for Investment Management and Research. The shareholders approved her appointment as an Independent Director of the Company at the Extra Ordinary General Meeting held on 16th December, 2019.



Mr. Kiran Kumar Tarania

Kiran Kumar Tarania is a Non-Executive Nominee Director of the Company. He is currently General Manager – Treasury Division at Punjab National Bank. He is an accomplished finance professional with over 34 years of demonstrated history of work experience in the banking industry. He has a vast experience in Treasury Management, Risk Management, Corporate Credit and General Banking. He holds a B.Com (Honours) and a Masters of Management Studies degree and is a Certified Associate of the Indian Institute of Bankers. The shareholders approved his appointment as a Non-Executive Nominee Director through Postal Ballot passed on 12th October, 2022.



Mr. Imtaiyazur Rahman

Imtaiyazur Rahman is the Managing Director and Chief Executive Officer of the Company. He has more than three decades of experience in management, business leadership, leading change and forming strategic alliances. He joined the UTI Group in 1998 as part of UTI Investor Services Limited and joined UTI AMC Limited in 2003. He was also the CFO of the Company from 2005. In his role as Group President & Chief Financial Officer, he headed the functions of Finance, Accounts, Taxation, Information Technology, Board related matters, Offshore Funds, Alternative Investments and Portfolio Management Services.

He is a Science Graduate, Fellow Member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India, Certified Public Accountant (USA) and GAMP from Indian School of Business & Kellogg School of Management. He has completed the Leadership Programme – ‘Leading for Results’ from INSEAD (France). He has been awarded ESG Competent Board’s Global Certification and Designation. He has been conferred an Honorary doctorate degree, D.Litt. by ITM University, Raipur.

He is on the Board of UTI International (Singapore) Private Limited, UTI Retirement Solutions Limited, UTI Capital Private Limited and UTI Venture Funds Management Company Private Limited and IndianOil Adani Ventures Limited.

He is the Chairperson for the FICCI Task Force on ESG for 2023. He is also a member of the CII National Committee on Financial Markets; CII Financial Sector Development Council 2022-23; and Banking & Finance Committee of IMC Chamber of Commerce & Industry. He was on the Board of Association of Mutual Funds in India (AMFI) and is presently a permanent invitee to the AMFI Board Meetings.

Prior to joining the Company, he was associated with Sumeet Machines Ltd, Leasing Finance India Ltd, Bells Controls Ltd, New India Rubber Works (P) Ltd. and S. Gupta & Co.



Trustees of UTI Mutual Fund



Mr. Suhail Nathani

M.A. in Law (Cambridge University), LLM (Duke University)

He is an Independent Director of UTI Trustee Company Private Limited. He is the co-founder and Partner of the 'Economic Laws Practice'.



Ms. Mukeeta Jhaveri

B.A. (Economics & Political Science) and B.Sc. (Finance), New York University

She is an Independent Director of UTI Trustee Company Private Limited. She has worked at DSP Financial Consultants (now Bank of America Merrill Lynch), Mumbai as Head of Equity Sales and Vice President Capital Markets. She has considerable experience in the areas of Merchant Banking, Capital Market, Equity Sales and Portfolio Management. She serves on the Board of Raymond Limited, Taurus Trading Pvt Ltd and St. Jude India Childcare Centres as a Director.



Mr. Shiva Kumar

B.A. (Honours)

He is an Independent Director of UTI Trustee Company Private Limited. He was Chief General Manager at State Bank of India and Managing Director of State Bank of Bikaner & Jaipur. He was also President of Edelweiss Financial Services Group, Mumbai.



Mr. Venkatraman Srinivasan

Chartered Accountants and B.Com (University of Bombay)

He is an Additional Director (Independent Category) of UTI Trustee Company Private Limited. He is engaged in Audit & Assurance practice and Direct Tax & Corporate Advisory Services since 1984, specializing in Statutory Audits of Banks, Mutual Funds and Financial Companies, Public Sector Companies, and advisory in the areas of Direct Tax, Company Law, Competition Law, the Foreign Exchange Management Act and Securities and Exchange Board of India matters. He has a work experience of over 36 years.

He was a special invitee on the Accounting Standards Board of the Institute of Chartered Accountants of India (ICAI) for FY 2020-21 and was a special invitee on the Ind AS Transition Facilitation Group Committee of the ICAI for FY 2019-20. He has been Co-opted as a Member of the Expert Advisory Committee of the ICAI for FY 2021-22. He has also participated in the case study based governance program on "Audit Committees in this New Era of Governance" at the Harvard Business School.

Our Board of Directors



Our Trustees



Corporate Information

Directors



Mr. Dinesh Kumar Mehrotra
 Mr. Edward Cage Bernard
 Mr. Flemming Madsen
 Mr. Narasimhan Seshadri
 Mr. Deepak Kumar Chatterjee
 Mr. Rajeev Kakar
 Ms. Dipali Sheth
 Ms. Jayashree Vaidhyanathan
 Mr. Kiran Kumar Tarania
 Mr. Imtaiyazur Rahman

Non-Executive Chairman



Mr. Dinesh Kumar Mehrotra

Managing Director and Chief Executive Officer



Mr. Imtaiyazur Rahman

Company Secretary and Compliance Officer



Mr. Arvind Patkar

Chief Financial Officer



Mr. Surojit Saha

Auditors



M/s. B S R & Co. LLP Chartered Accountants

Bankers



AXIS Bank Limited

Registered Office



UTI Tower
 'Gn' Block Bandra-Kurla Complex, Bandra (East),
 Mumbai – 400 051



Message from The Chairman



As India's oldest and one of the largest mutual fund houses, we are immensely proud to extend our constant support towards the growth of this dynamic and vibrant marketplace. We believe that in spite of significant challenges in the global environment, India continues to remain resilient and is on its path to become one of the largest economies in the world.



Dear Stakeholders,

It has been encouraging to see India being resilient and demonstrating fortitude despite the challenging situations for the world economy. This can be directly correlated to the foundation that the Indian economy has built over the years. India has proven to be a beacon of light amidst the economies all around the world navigating variety of challenges.

As India’s oldest and one of the largest mutual fund houses, we are immensely proud to extend our constant support towards the growth of this dynamic and vibrant marketplace. We believe that inspite of significant challenges in the global environment, India continues to remain resilient and is on its path to become one of the largest economies in the world. And this will be possible through its limitless potential and prosperity driven by innovation, entrepreneurship and a steadfast commitment to progress.

Today, it is encouraging to see the growing inclination of Indian households towards actively participating in the dynamic financial markets. And with the expected growth of middle-class population in the near future, the investor participation in capital markets will only increase further.

Leveraging the opportunities of the industry, we take immense pride in the growth of our strong retail base and our successful presence in the B30 markets. This serves as a testament to our commitment towards empowering our investors and enabling them to make

the most of the opportunities that the Indian markets offer. Our continued efforts to adapt and innovate attract significant strategic alliances while enhancing our digital prowess as a critical enabler of business growth.

Owing to the rising awareness of the broader impact of business activities in our society, we are also committed to integrating ESG factors in the investment decision-making process and other operations through our policy frameworks.

As I mentioned, India’s potential has captivated investors across the globe, who seek to participate in the country’s phenomenal growth story. This has created a vital opportunity for the financial services industry to drive its future in an accelerated and sustainable manner. During this journey, financial institutions in our country are well-positioned to provide the necessary support and infrastructure for businesses to thrive.

I would like to take this opportunity to express my gratitude to all our valued

stakeholders. Your support to the Company has been invaluable. I would also like to convey my appreciation to our employees and I am extremely proud of the team that constantly strives to improve and add value.

As we look forward, we believe the Company’s three pillars – Conviction, Capabilities and Commitment – will continue to be the driving force behind our success. I am confident that a strong brand, our deep-rooted experiences and commitment to investors, will enable us to capitalise on the opportunities and continue to deliver long-term value for all our stakeholders.

I extend my best wishes to all of you and your families.

Warm Regards,
Dinesh Kumar Mehrotra
Chairman



Message From The Managing Director & CEO



At UTI AMC, we are deeply committed to our mission of being the most preferred wealth manager and employer. We are eager to be at the forefront of the growth of Indian Mutual Fund industry, as our country realises its full potential and becomes a formidable economy.



Dear Stakeholders,

Throughout the year, we have been steadfast in our commitment as we capitalised on opportunities to strengthen our capabilities and build on our strong foundation, solidifying our ability to deliver with conviction. It is my privilege to present to you, our Company's Annual Report for FY 2022-23.

Reflecting on the Year Gone by

The last financial year can be considered among the most eventful years from a global economic standpoint. Various factors ranging from geopolitical tensions, rising interest rates, supply chain disruptions, and technological innovations were influential in shaping the year's prospects.

However, India's robustness ensured that we successfully navigated the challenges and continued to progress as the fastest-growing major economy. The promising Union Budget and the unwavering support from the Government reflects the prevailing sentiment around the nation's growth as India continues to occupy an increasingly significant position in the global economic landscape.

The growing accessibility of the financial markets, over the last few years has primarily contributed towards the growing inflow of participants, directly benefitting the financial community. A growing awareness around the diverse array of financial products available has fuelled the expansion of India's investment journey.

Growth of the Mutual Fund Industry

India's potential has extended its reach and has also translated into growth of the Mutual Fund industry over the last

decade. However, the Indian Mutual Fund industry is yet to reach to the levels of its global peers, providing a massive opportunity for us to capitalise.

The rising inflow of foreign investments has allowed several industries to flourish, thus leading to promising prospects for our capital markets. The importance of ensuring that money grows in tandem with the changing times is being broadly recognised. Households are exploring a variety of financial instruments to further their financial ambitions, and this has largely contributed to the growing popularity of Mutual Funds as an investment avenue.

Consistently Delivering with Conviction

UTI AMC is among the largest asset managers in the country and aspires to serve an even larger segment of the population in the future. As a leading player in the mutual fund space, it is imperative that we consistently evolve as an organisation to deliver enduring value for years to come.

UTI AMC partnered with about 62,500 MFDs, spanning over 697

districts in the country, placing us as a preferred option among retail investors. Furthermore, we have a vast reach through our broad network of 166 UTI Financial Centres (UFCs) spread across the country.

Our Company's Quarterly Average Asset Under Management (QAAUM) stood at ₹ 2.39 lakh crore for the Mutual Fund business, while the Group AUM for UTI AMC reached ₹ 15.56 lakh crore as of 31st March, 2023.

Retirement Solutions Business

As far as the performance of the subsidiaries is concerned, during FY 2022-23, UTI Retirement Solutions Limited (UTI RSL) experienced an increase in its Assets Under Management (AUM) to ₹ 2.41 lakh crore amounting to a growth of 19.21% over the financial year, holding a market share of 26.78% in the NPS sector and aims to continue its growth. To support this goal, we are in the process of implementing several strategic business plans.





International Business

UTI International Limited, which oversees UTI AMC’s offshore business, has Assets Under Management (AUM) of ₹ 21,703 crore. UTI International’s flagship equity fund, the India Dynamic Equity Fund, which is domiciled in Ireland, has an AUM of US\$ 852 mn during the financial year, while the J Safra Sarasin Responsible India Fund, likely to be Europe’s first ESG Compliant India Fund, has an AUM of US\$ 75 mn.

The company reaches out to investors, primarily institutional, in over thirty-five countries across the globe and is constantly striving to expand the brand further.

Alternate Investment Business

UTI Capital Limited’s main objective is to manage and expand the private capital investment business. The subsidiary presently manages an AUM of ₹ 1,707 crore, with three active private debt funds, UTI Structured Debt Opportunities Fund I, UTI Structured Debt Opportunities Fund II, and UTI Structured Debt Opportunities Fund III; and one multi-strategy fund UTI Multi Opportunities Fund I. UTI Capital is also dedicated to Responsible Investing, and UTI Structured Debt Opportunities Fund

II & III have well-defined ESG Policy and Strategy.

Propelled by People

Our people have been the driving force behind the growth, and we have taken the necessary steps to ensure we provide the right environment for our valuable human resources to flourish and grow along with the organisation. We have consistently identified the needs of the people within our Company and have taken the necessary steps to nurture them.

We focus on building a more diverse organisation with gender diversity playing an increasingly important role in furthering UTI AMC’s success.

Several improvements in the internal systems and processes were made to

ensure the newer group of employees developed the conviction to be a part of UTI AMC’s journey. Our capabilities are strengthened through well-defined leadership roles, ensuring a structured and methodical approach towards investing.

Digitally Progressing

At UTI AMC, we have embraced digital transition and positioned ourselves to capture emerging opportunities. While proactively adopting technology across all spectrums, we also take cognisance of technology having transformed how people approach their investments and financial planning. We will also continue to invest in and explore the latest technologies to improve the quality of our services and drive business growth.

Evolving our Offerings

As we continue to offer investors a diverse bouquet of investment options, this year we expanded our passive offerings into the debt market. With policy rates expected to peak out, debt as an asset class has become more attractive. To take advantage of this shift, we aggressively launched schemes across active and passive debt strategies, focusing on filling product

gaps in open-ended categories. Our UTI Gilt Fund with 10-year Constant Duration and UTI Long Duration Fund at the longer end of the yield curve were created to cater to investors' needs. With standardisation of open-ended scheme categories happening across the industry, what sets UTI AMC apart is our robust investment framework, in-house proprietary research methodologies - ScoreAlpha and GIMS, that we have designed for equity and fixed income, respectively. We've also launched multiple fixed maturity plans on the close-ended debt side for investors to lock-in attractive yields. Over the last few years, we have developed an extensive bouquet of Index funds and ETFs, while maintaining an excellent track record of delivering one of the lowest tracking errors in the industry across all products.

Beyond Business

At UTI AMC, we take great pride in being a responsible organisation that prioritises the needs of all its stakeholders. As part of our commitment to Responsible Investing, we have implemented a formal stewardship code and voting policy. We've established an ESG Committee of the Board to offer valuable guidance on our ESG journey.

Additionally, we have roped in external experts and rating agencies to provide



independent insights to complement our own ESG evaluations of investee companies. Our dedication to responsible investing is further evidenced by our participation as a signatory to the United Nations - Principles for Responsible Investing (UN PRI) and Sustainability Accounting Standards Board (SASB).

We have taken active steps to reduce our carbon emissions and implement superior waste management systems. There is a constant effort to implement energy-efficient practices to further our green initiatives. Our additional initiatives during the current year entail ways and means to reduce water consumption and redesigning of spaces to allow for increasingly green surroundings, thereby enhancing the quality of the environment we work in.

Maintaining high standards of corporate governance, integrity, and transparency has consistently been a focus for us. We strive to ensure compliance with all legal and regulatory disclosures. Moreover, we are actively enhancing our redressal mechanisms to ensure optimal accountability and compliance within our systems.

Our talent pool of 1,377 employees continues to be our organisation's pillars. We are dedicated to cultivating an equitable and supportive work culture, where each person is empowered to contribute to achieving the organisation's goals. Furthermore, we recognise our social development obligations and have taken on educational and health-oriented initiatives targeting underprivileged children among other initiatives.

Dividend Declaration

I am pleased to inform you that the Board of Directors has proposed a final dividend of ₹ 22 per share for FY 2022-23. This constitutes 65.82% of our Profit After Tax.

Our Way Forward

At UTI AMC, we are deeply committed to our mission of being the most preferred wealth manager and employer. We are eager to be at the forefront of the growth of Indian Mutual Fund industry, as our country realises its full potential and becomes a formidable economy.

I take immense pride in being part of a team dedicated to consistent improvement. With the invaluable guidance of our Board of Directors, we remain steadfast on our path towards being a name synonymous with Conviction, Capabilities and Commitment.

Warm regards

Imtaiyazur Rahman

Managing Director and Chief Executive Officer



Our Leadership That is Committed



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1

Mr. Imtaiyazur Rahman

Managing Director and
Chief Executive Officer

2

Mr. Surojit Saha

Chief Financial Officer

3

Mr. Arvind Patkar

Company Secretary and
Compliance Officer

4

Mr. Vetri Subramaniam

Chief Investment Officer

5

Mr. Amandeep Chopra

Head – Fixed Income

6

Mr. Peshotan Dastoor

Head – Sales

7

Mr. Indranil Choudhury

Group Head – Human Resources

8

Mr. Ajay Tyagi

Head – Equity

Mr. Vinay Lakhotia
Head – Operations

9



9

Mr. Vivek Maheshwari
Chief Risk Officer

10



10

Mr. Siddamurthy Raghunatha Reddy
Advisor – Information Technology and Digital Marketing

11



11

Ms. Bhavna Tiwari
Head – Human Resources

12



12

Ms. Suruchi Wanare
Compliance Officer – UTI MF

13



13

Mr. Sandeep Samsi
Head – Corporate Strategy & Communications, Marketing and Investor Relations

14



14

Mr. Balram Bhagat
Chief Executive Officer – UTI Retirement Solutions Limited

15



15

Mr. Praveen Jagwani
Chief Executive Officer – UTI International Limited

16



16

Mr. Rohit Gulati
Chief Executive Officer – UTI Capital Private Limited

17



17

Committed to Our Legacy that Inspires



1964-2002



2003-2009

- 1964** : Established Unit Trust of India (UTI) on 1st February, 1964 under the Unit Trust of India Act, 1963
- 1971** : Launched India's first Unit Linked Insurance Plan (ULIP)
- 1986** : Launched India's first equity-oriented growth fund called Mastershare; UTI Mastershare became part of the Indian Investment Lexicon
- : Launched UTI India Fund – first dedicated fund for foreign investors
- 1996** : Incorporated 'UTI International Limited' as a limited liability company under the laws of Guernsey
- 2002** : Incorporated UTI Asset Management Company Limited

- 2003** : Received approval from Securities and Exchange Board of India (SEBI) for UTI Mutual Fund to act as an Asset Management Company
- 2004** : Acquired the schemes of IL&FS Mutual Fund and launched Portfolio Management Services (PMS)
- 2006** : Established UTI International Singapore (P) Ltd and launched Shinsei UTI India Fund in JV with Shinsei Bank
- 2007** : Incorporated UTI Retirement Solutions Limited (RSL) as a wholly owned subsidiary
- 2009** : UTI Mutual Fund investor folios crossed 1 crore
- : Appointed as one of the two fund managers of the Postal Life Insurance corpus



→ 2010-2019 → 2020-2023

- 2010** : Launched UTI Swatantra – largest Investor Education initiative in India
- 2011** : Incorporated UTI Capital Private Limited as a wholly owned subsidiary
- 2017** : Launched UTI Structured Debt Opportunities Fund - Alternative Investment Fund (AIF) through UTI Capital Pvt. Ltd.
- : Initiated Digi-Invest Campaign
- 2019** : UTI RSL's AUM crossed ₹ 1 lakh crore
- : Appointed UTI's PMS as one of the two Fund Managers of the EPFO Corpus

- 2020** : Launched UTI AMC IPO and listed on NSE and BSE
- : Became Signatory to United Nations – Principles for Responsible Investment
- : UTI International launched a sustainability fund – J Safra Sarasin Responsible India Equity Fund
- 2022** : Launched India's first instant commission pay out facility for distribution partners under the aegis 'UTI Insta Pay'
- : UTI RSL's AUM crossed ₹ 2 lakh crore
- 2023** : Completed 20 years as UTI Asset Management Company Limited
- : Entered 60th year of establishment as Unit Trust of India (UTI)

UTI Asset Management Company Limited

Commitment, Capabilities & Conviction

For any organisation to thrive for a sustained period, it must relentlessly add value to those it serves. It is keeping this philosophy in mind, we are privileged to celebrate the milestone of entering the 60th year of delivering value. Over the years, we have cultivated a reputation, driven by our robust corporate governance.

As pioneers in the mutual fund industry, we have fostered excellent relationships with our distributors, allowing us to have a presence in over 97% of the country's districts. We aim to continue strengthening our presence country-wide through our quality service and product offerings.

UTI AMC has diverse businesses, including Mutual Fund, Portfolio Management Services (PMS), International Business, Retirement

Solutions, and Alternative Investment Assets. This diversity enables us to offer our clients a wide range of investment options, catering to their diverse needs and goals. As a well-recognised brand, our reach extends globally, with our investment solutions reaching over 35 countries.

As a pure-play Asset Management Company, we understand the depth of the responsibility that we have been entrusted with. We manage

the wealth of our customers with utmost sincerity. With integrity at our core, we have the desire to bring efficiencies across all parameters. Our stakeholders' endless support right from our investors to Banking and National Distributors, Mutual Fund Distributors (MFDs), Fintechs and Payment Platforms, has enabled us to offer a value proposition synonymous with quality and trust.



~60

Years of Existence

₹ 15.56 lakh crore

Total AUM as on 31st March, 2023

₹ 2.39 lakh crore

Domestic MF QAAUM as on 31st March, 2023

1,377*

UTI AMC Employees
*consolidated



Vision

- To be the most preferred Asset Manager



Mission

- The most trusted brand, admired by all stakeholders
- Enable our customers to achieve their financial goals
- Asset Manager with a diverse suite of products and global presence
- Be the employer of first choice
- A socially responsible organisation, known for best corporate governance



Values



We are a Performance-driven organisation with Purpose



Investment Excellence
Focus of our existence



Investors First
Investor success leads to our success



Co-operation and Collaboration
Bringing out the best ideas



Trust and Mutual Respect
Building meaningful relationships



Thinking Long-Term
Shaping sustainable competitive advantage

Shareholding Pattern



UTI AMC is a professionally managed company with no identifiable promoters



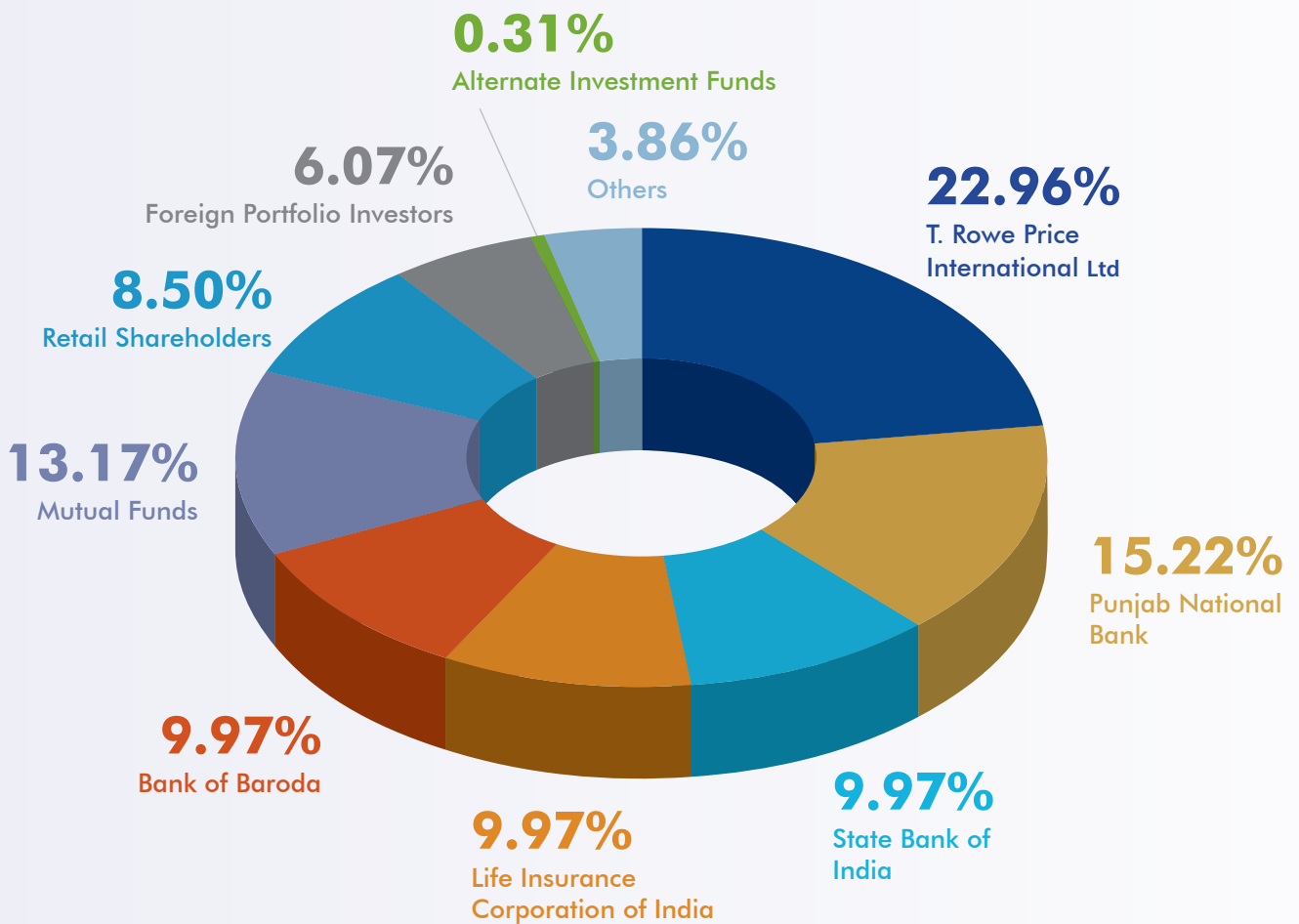
State Bank of India, Bank of Baroda and Life Insurance Corporation of India hold 9.97% share capital each



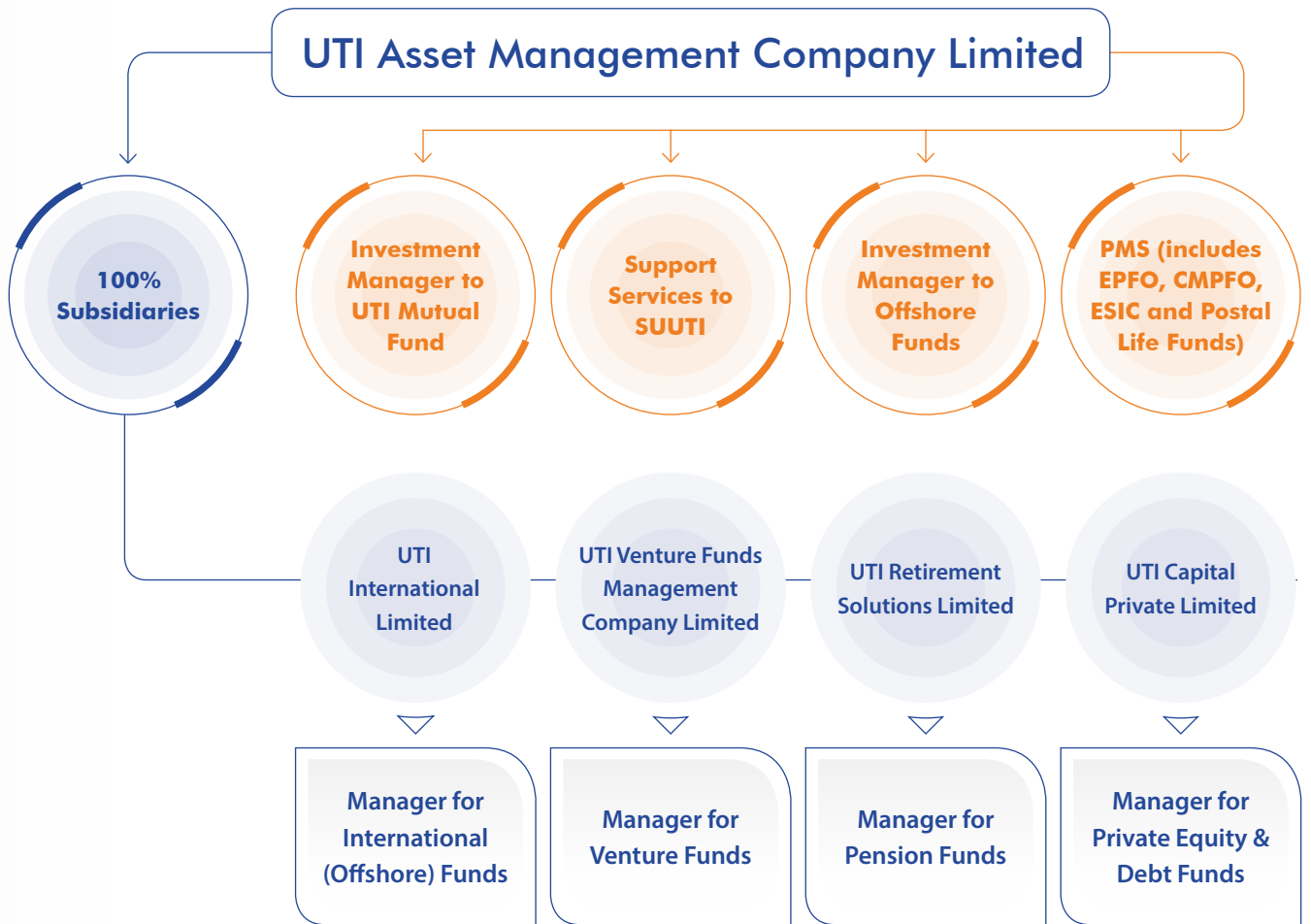
T. Rowe Price International Ltd, a global investment management firm, is the largest shareholder holding 22.96%



Punjab National Bank, which has no other AMC business, has 15.22% holding



Organisational Structure



Committed to Growing as a Family

UTI International Limited (UTI International)

UTI International Limited is a 100% subsidiary of UTI AMC and is incorporated in Guernsey, Channel Islands. It has a branch office in London, regulated by the UK's Financial Conduct Authority, and has three other subsidiaries in Mauritius, Singapore, and France. These entities collectively represent UTI AMC's offshore interests, with UTI International Singapore serving as the headquarters for global operations.

UTI International has offices in four locations – Singapore, Dubai, London and Paris. The Singapore entity is licensed as an asset manager under the regulatory framework of the Monetary Authority of Singapore. It has a branch office in DIFC, Dubai which is licensed by the Dubai Financial Services Authority.

UTI International's principal activities involve managing and marketing mutual funds across various asset classes, including equities, debt, and private credit. The funds are domiciled in Mauritius, the Cayman Islands, Singapore, and Ireland, and are marketed globally. UTI International manages a total of 25 funds, with its largest fund being the India Dynamic Equity Fund domiciled in Ireland, the Phoenix Fund in the Cayman Islands, and the Shinsei UTI India Fund in Mauritius. UTI International also manages mandates for reputed AMCs based in South Korea, UAE and Switzerland. In 2022, UTI International launched the UTI India Innovation Fund to invest in equities of young innovative and disruptive companies in India.

The investor base primarily comprises institutions such as pension funds, insurance companies, private banks, wealth managers, and family offices. These investors come from over 35 countries and have invested in the Group's funds in various currencies, including USD, GBP, ZAR, JPY, EUR, CHF, SGD. UTI International has a diverse workforce of 28 employees from 5 nationalities, including 12 women.



US\$ 2,639.72 mn

Total AUM (as on 31st March, 2023)

GBP 9.46 mn

Total Income (as on 31st March, 2023)

GBP (3.29) mn

Net Loss (as on 31st March, 2023)

Committed to Growing as a Family

UTI Retirement Solutions Limited

(UTI RSL)

Incorporated in 2007, UTI Retirement Solutions Limited (UTI RSL) is a 100% subsidiary of UTI AMC responsible for managing Pension Funds under the National Pension Scheme (NPS). With a license issued by Pension Fund Regulatory and Development Authority (PFRDA), it handles the Pension Assets/Funds of central government employees, state government employees and private sector NPS subscribers. To provide a single window service to its esteemed clients (corporates as well as individuals), UTI RSL has also obtained the point of presence (POP) license from PFRDA in April 2022.

Holding a market share of 26.78% in the NPS industry, UTI RSL has displayed promising results with an AUM CAGR of 28.2% in the past 5 years. This places the Company in a good position to continue expanding and capitalising on its momentum in the future.

NPS is among the finest retirement planning tools in the country. The wide-ranging benefits of NPS include cost benefits. The under penetration of pension schemes in the private sector provides a huge opportunity for UTI RSL to further strengthen its positioning in this domain. UTI RSL's commitment to deliver the best-in-class service, combined with highly automated nature of its operations, allows it to serve its expanding customer base with ease.



₹ 2.41 lakh crore

Total AUM

26.78%

Market Share under the NPS Scheme

₹ 106.87 crore

Total Income

₹ 46.47 crore

Net Profit

Committed to Growing as a Family

UTI Venture Funds Management Company Private Limited (UTI Venture)

₹ **125.12** lakh

Total Income

₹ **85.05** lakh

Net Profit

UTI Venture was founded in Bengaluru, Karnataka, under the Companies Act, 1956. As the investment arm of UTI AMC, it is recognised as among the oldest PE institutions in India. Its primary focus is managing venture capital and private equity funds for institutional clients and HNIs. With investments in early-stage and growth-stage companies in sectors such as healthcare, education, energy, technology, and consumer goods, its wide range of offerings includes financial planning and investment advisory services.



Committed to Growing as a Family

UTI Capital Private Limited (UTI Capital)

₹ **1,707** crore
Total AUM

UTI Capital Private Limited, a 100% subsidiary of UTI AMC, is mandated to manage and grow the private capital investment business. It is currently acting as Investment Manager to five SEBI registered category II alternative investment funds viz. UTI Structured Debt Opportunities Fund I (SDOF I), UTI Structured Debt Opportunities Fund II (SDOF II), UTI Structured Debt Opportunities Fund III (SDOF III), UTI Multi Opportunities Fund I (MOF I) and UTI Real Estate Opportunities Fund I (ROF I). As at 31st March, 2023, the total AUM for these funds amounted to ₹ 1,707 crore.

₹ **11.9** crore
Total Income

UTI Capital is firmly dedicated to responsible investing, and this commitment is exemplified by UTI SDOF II and UTI SDOF III's clearly defined ESG policy and strategy. Furthermore, the Company under the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, received the license to operate as a Co-Investment Portfolio Manager ('CPM'). The Company offers services to investors of AIFs managed by it, as permitted under the Portfolio Managers' Regulations. During the year, the Company commenced operations under CPM and was successful in onboarding a few investors. Further, UTI Capital also obtained registration to act as a Registered Fund Management Entity from International Financial Services Centres Authority (IFSCA) to manage funds domiciled at International Financial Services Centre located at Gift City. As on 31st March, 2023, the Company is in the process of setting up operations at Gift City.

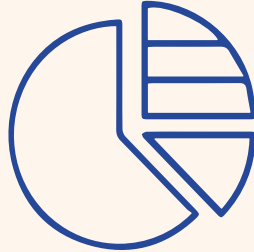
₹ **(3.3)** crore
Net Loss



Numbers as a Measure of Our Capabilities

~60

Years of Existence

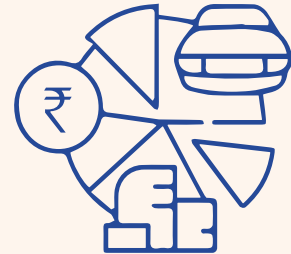


₹ 8,152 crore

Market Capitalisation*

₹ 15.56 lakh crore

Total Assets Under Management*



1.22 crore

Number of Live Folios*

₹ 1,267 crore

Total Revenue*



*Data as on 31st March, 2023

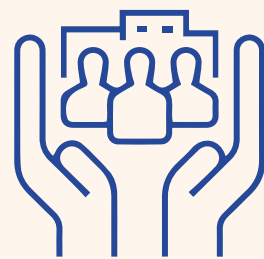
68

Number of Schemes Offered



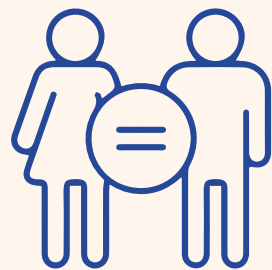
1,377

Consolidated Employee Strength



27%

Gender Diversity in Workforce



9.92[^] crore

Total CSR Spend (during FY 2022-23)

[^] Consolidated



94.7%

Percentage of Gross Sales through Digital Channels



Core Strategies Driving Us Forward



Strategy 1

Prudent Investment Management Process

- Developing a capable in-house team to measure and monitor the investment process meticulously
- Aligning ESG Principles with business strategies



Strategy 2

Geographical Spread Across the Country

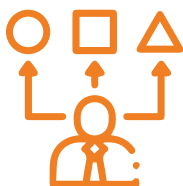
- Deepening presence in T30 cities
- Leverage our presence in B30 cities to pursue client base in lesser explored areas
- Capturing a greater market share across the country
- Strengthen our multi-channel distribution network



Strategy 3

Attracting Right Opportunities Through Partnerships

- Collaborating strategically with partners to capitalise on emerging opportunities
- Strengthening our distribution network by deepening our relationships with partners



Strategy 4

Growth of International, Retirement and Alternate Business

- Expanding worldwide presence through UTI International
- Scaling UTI RSL by attracting a greater quantum of pension funds
- Increasing domestic affluence, leading to a larger alternate investment portfolio for UTI Capital



Strategy 5 Leveraging Digital Adoption

- Digitally empowering our customers through our website and app and end-to-end digital KYC
- Identifying and capitalising on cross-selling and upselling opportunities by integrating analytical tools and our digital marketing platforms
- Strengthening digital capabilities across employee groups through innovative training programmes
- Increasing consumer engagement through digital channels and ensuring data security



Strategy 6 Consistent Development of Human Capital

- Promoting greater gender diversity by hiring an increasing number of women
- Introducing impactful interventions towards learning and development needs and well-being of the employees
- Inducing fresh approaches through early-stage hires

Committed to Add Value Through Our Offerings

For nearly six decades of our existence, we have been committed to be formidable partners of our investors in their wealth creation journey. With the rising awareness and confidence of the investors about the benefits of mutual funds as an investment avenue, we have witnessed the Indian Mutual Fund Industry grow from strength to strength. Being the pioneer in the industry, we are committed to continuously offer products that align with the financial needs of all our investors. With the immense opportunity of reaching a higher culmen, given the lower levels of penetration of mutual funds in India, we aim to add value for investors through our well-diversified product suite.

Classification of Our Funds

Active Strategies



Equity



Fixed Income and Liquid



Hybrid



Solution Oriented

Passive Strategies



Exchange Traded Funds



Index Funds



Fund of Funds

New Fund Offers

In line with our commitment to relentlessly work towards designing and launching products that can fulfil our investors' financial goals, we launched twelve schemes across actively and passively managed strategies in FY 2022-23. Our passive suite in the commodity space has been propelled by the launch of UTI Gold ETF FOF that complements our existing product - UTI Gold ETF, while providing an opportunity to take exposure to Gold as an asset class in a simple and cost-effective manner.

We have not only kept a close watch on evolving macro-economic environment, but also the changing market dynamics to cater to our investors' aspirations and goals. We focused on filling up the product gaps in the open-ended fixed income categories by launching UTI Gilt Fund with 10-year Constant Duration and UTI Long Duration Fund at the longer end of the yield curve. On the close-ended fixed income side we launched multiple fixed maturity plans to allow investors to lock-in the prevailing yields in the fixed income market. These include the launch of four Target Maturity Debt Index Funds covering the short to medium end of the yield curve.

List of New Fund Offers

- ▶ UTI Gilt Fund with 10-year Constant Duration
- ▶ UTI Long Duration Fund
- ▶ UTI Gold ETF FOF
- ▶ UTI NIFTY Midcap 150 Quality 50 Index Fund
- ▶ UTI CRISIL SDL Maturity April 2033 Index Fund
- ▶ UTI CRISIL SDL Maturity June 2027 Index Fund
- ▶ UTI Nifty SDL Plus PSU Bond Apr 2026 75:25 Index Fund
- ▶ UTI Nifty SDL Plus PSU Bond Apr 2028 75:25 Index Fund
- ▶ UTI FTIF Series XXXV – I (1,260 Days)
- ▶ UTI FTIF Series XXXV – II (1,223 Days)
- ▶ UTI FTIF Series XXXV – III (1,176 Days)
- ▶ UTI FTIF Series XXXVI – I (1,574 days)

Our Offerings Designed by Our Experienced and Professional Team Members

We are a professionally managed asset management Company, ably led by our distinguished Board of Directors and dedicated leadership team. With their extensive market expertise, our senior management leverages strategic opportunities while adapting to the ever-evolving industry, macro-economic, and regulatory landscape.

Our offerings are led by a vastly experienced team across UTI Group.

51

UTI MF Investment Team Members

10

UTI RSL Investment Team Members

6

UTI Capital Investment Team Members

3

UTI International Investment Team Members



Capabilities in Investment Management and Commitment Towards Business Resilience

At UTI AMC, our investment philosophy endeavours on delivering investment out-performance against benchmarks and competition – shaping us a trusted brand dedicated to enable our investors to achieve their financial goals. We have consistently focused to align our conviction in our rigorous investment process and the discipline towards our investment strategies with our commitment to our investors' economic interest while building our capabilities further.

Our investment team's objective is to stay true to the mandate and maintain consistency in fund management along the lines of the defined framework for each investment strategy.

Number of Schemes

16

Equity

1

Fund of Funds

16

ETFs and Index

9

Hybrid and Solutions

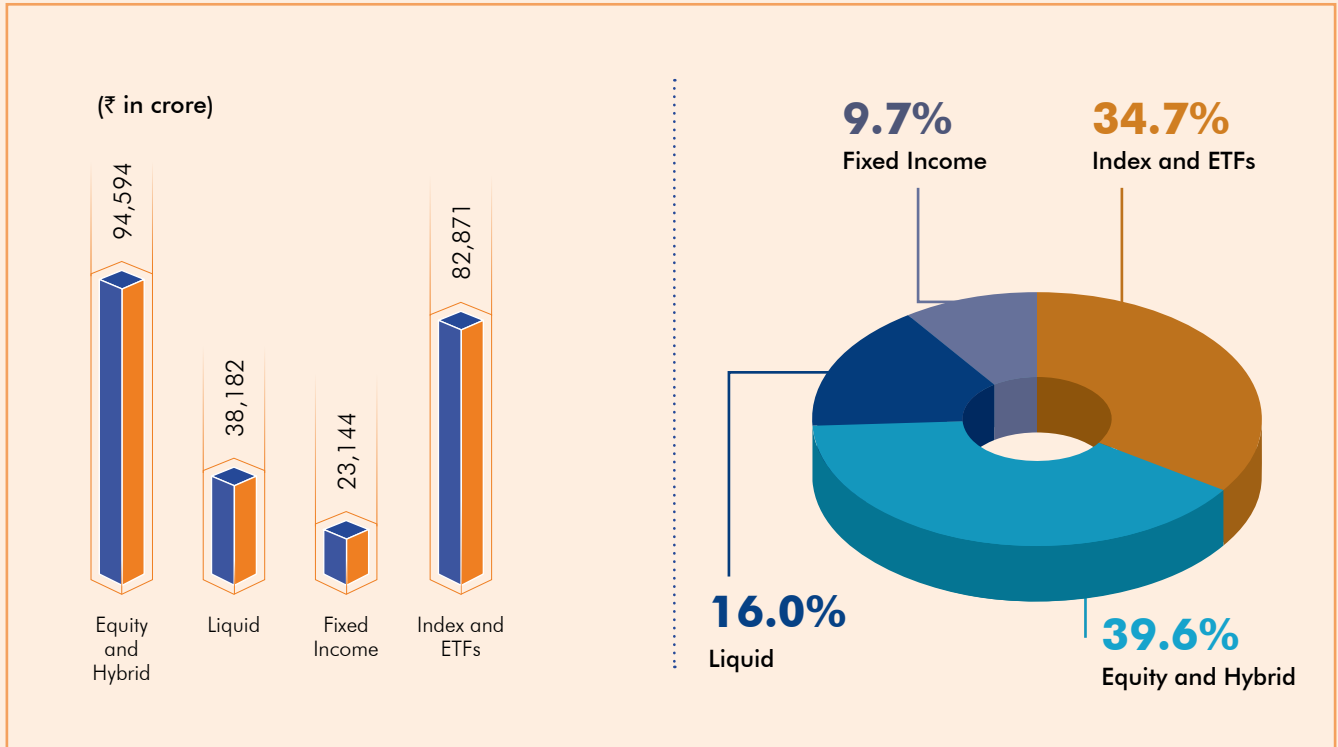
22

Fixed Income

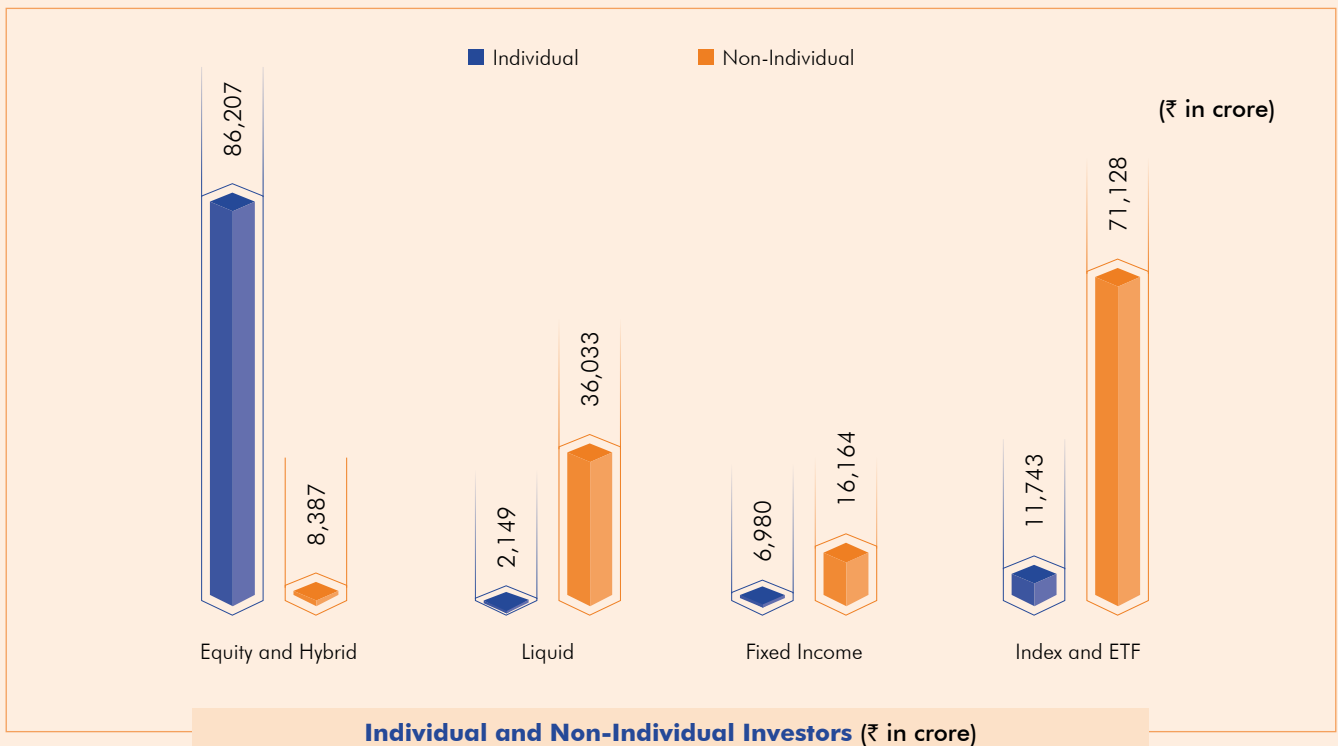
4

Liquid and MM

Quarterly Average Assets Under Management (QAAUM)



QAAUM Categorisation by Investor Type



Prudent Investment Selection and Management Process

Our investment selection process is driven by the capability of our experienced in-house research team. They provide comprehensive coverage of a wide investment universe. We have significantly enhanced our capabilities by up-skilling team members and providing them with regular training and development opportunities. We provide best in class systems, analytical tools and technology for the team to carry out its research efforts.

Our conviction in investment process aligns the team around a rigorous and well-defined framework for security research and portfolio construction. Our proprietary investment processes - ScoreAlpha & GIMS, serve as a compass during ever changing market conditions. It is the source of our conviction.

We are firmly committed to enable our investors to achieve their financial goals and this commitment is reflected in the comprehensive periodic review including risk management process.

We have launched multiple funds across active as well as passive strategies to offer integrated solutions to our investors across maturity baskets. We also embarked on a Fixed Income (FI) campaign across India to showcase its attractiveness from a long-term asset allocation perspective.

Equity Funds

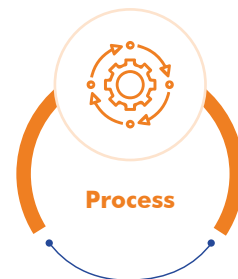
Our investment process is designed to support diverse strategies across market capitalisation and investment styles. The process is driven by a standardised research methodology. Security selection and portfolio construction are aligned with investment strategy. The pillars of our research process are consistency in operating cash flows and return on capital. The underlying cyclicality of the business guides our choice of appropriate valuation metrics in determining stock selection in each strategy. This portfolio is aligned with underlying investment strategy by well-defined guardrails.

Our research methodology is powered by skilled research analysts who employ cutting-edge strategies, efficient processes, and cohesive teamwork. Meanwhile, our fund managers take charge of portfolio construction to ensure optimal investment outcomes. Together, they drive our investment success.



Support diverse strategies

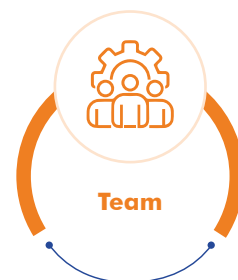
Style discipline



Standardised research methodology

Identifying good stocks, avoiding poor stocks

Consistency over time



Team driven approach

Discussion & Review



Building a portfolio that is closely aligned with our funds' objectives and ensuring consistency in adhering to our internal strategies and guidelines, exposure norms and regulatory requirements.



Monitoring companies in our portfolio regularly through frequent interactions with the management of our investee companies, industry experts and sell-side research.



Reviewing the implementation of strategies by fund managers periodically, including a quarterly review conducted by the Steering Committee.



Fixed Income Funds

UTI's approach to fixed-income investments centres around yield and duration management as the key objectives. This is achieved through a combination of both top-down and bottom-up approaches that take into account both qualitative and quantitative factors, as well as proprietary ratings and research methodologies.

At UTI AMC, we have leveraged our long-term track record of managing fixed income funds, our research capabilities & risk management tools into developing our in-house curated fixed income investment framework – 'GIMS' that stands for Gate, Investments, Monitoring & Surveillance. Our investment framework aims to achieve two key objectives. First, we carefully select the most appropriate companies to be part of our investment universe. Second, we establish a portfolio strategy with well-defined risk limits. Additionally, we ensure consistent monitoring of the portfolios to ensure that they continue to align with our investment objectives.

We have built & expanded a strong research team of credit analysts with sector specialisation to ensure devotion of adequate time for rigorous credit appraisal. The framework also builds in well-defined guardrails on interest and credit risks for each fund.



Managing Market Volatility

Our capabilities are founded on deep expertise that comes with 21 years' average experience of our fund management team through market cycles with understanding across macro-economic parameters and industries.

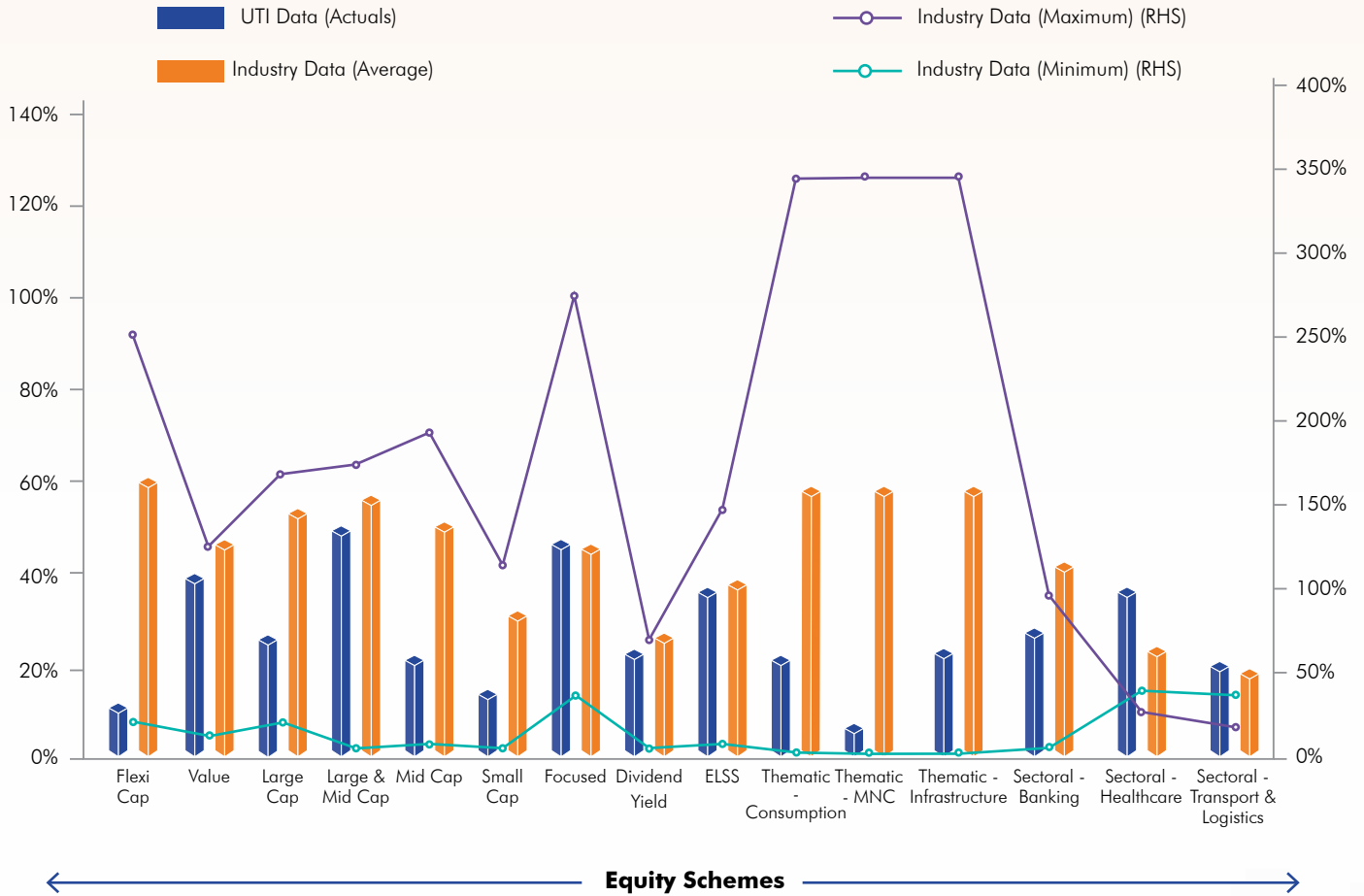
We have defined our processes and organised our investment team with clear distinction of responsibilities between research & investment and also aligned fund managers with products as per their investment style.

In fixed income, our risk management framework defines issuer and rating level exposure for every scheme. We also run a series of stress tests and liquidity risk analysis to protect the portfolios from sudden shocks.

Our disciplined approach allows us to endure challenging market conditions, further reflecting our capabilities and commitment to consistent wealth creation. This process driven approach results in much lower portfolio turnover in our equity schemes than the industry.



Lower Portfolio Turnover Ratios vs Industry

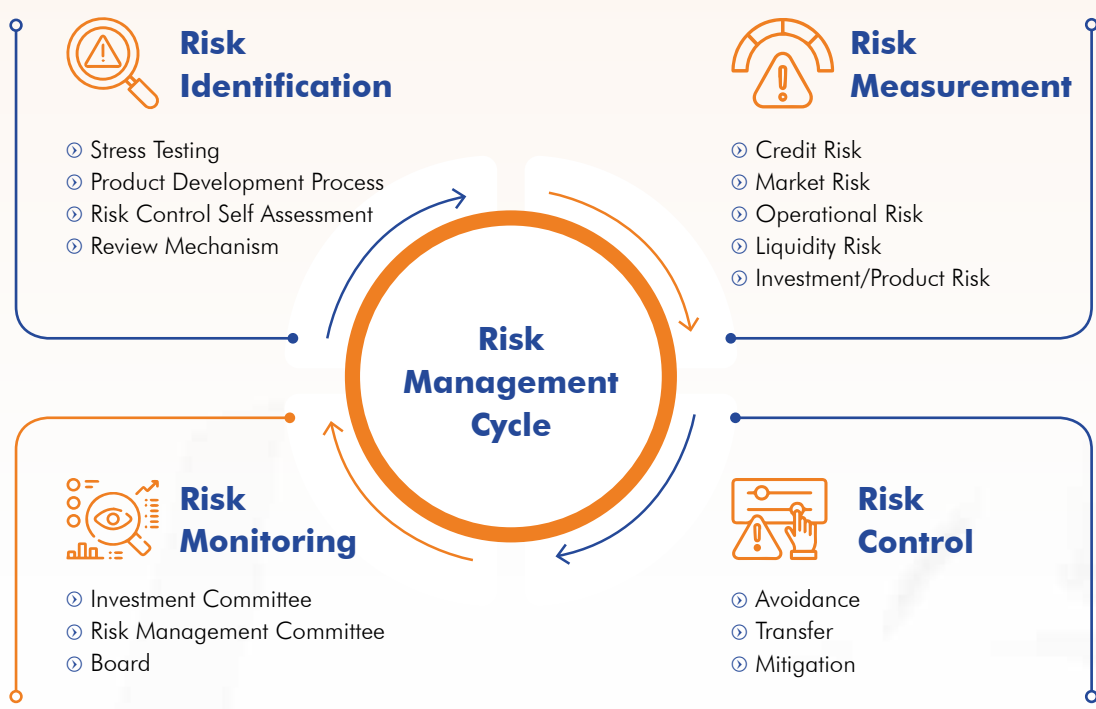


Review of Investment Management & Risk Policies

Our Company employs a comprehensive and regular review process. This encompasses security research, portfolio construction and risk management framework. We ensure that our investment strategies remain aligned with our investment process through evolving market conditions and volatility. Our proprietary research and investment process facilitates well-informed investment decision making. Our objective is to enable our investors to achieve their financial goals. We believe this is best achieved by adherence to process, disciplined execution and regular periodic review. We utilise best practices, rating systems, and proprietary research methodologies, which help mitigate risks at security and portfolio level.

The risk management team operates independently of the investment function and ensures compliance with guidelines, quantifies risk exposures, while having an escalation matrix to enable awareness.





Committed to Serving Every Corner

Our sales team's tireless efforts to reach every corner of the country have contributed to the growing prevalence of financial inclusion across the nation. We strongly believe in providing exceptional value to our stakeholders, which is why we invest heavily in empowering our sales teams with cutting-edge capabilities. In addition, our extensive nationwide network is a reflection of our steadfast commitment to building mutually beneficial relationships with our distribution partners and fostering continuous development.

Our sales teams have been instrumental in fostering strong and enduring relationships with our distributors. In addition to our own UFCs, District Associates, and Official Points of Acceptance, these relationships have been nurtured year after year. As a result, we have been able to reach every nook and corner of the country, creating an expansive network that enables us to better serve our customers and cater to their unique needs.

166

UFCs

210

District Associates

657

Core Sales Team

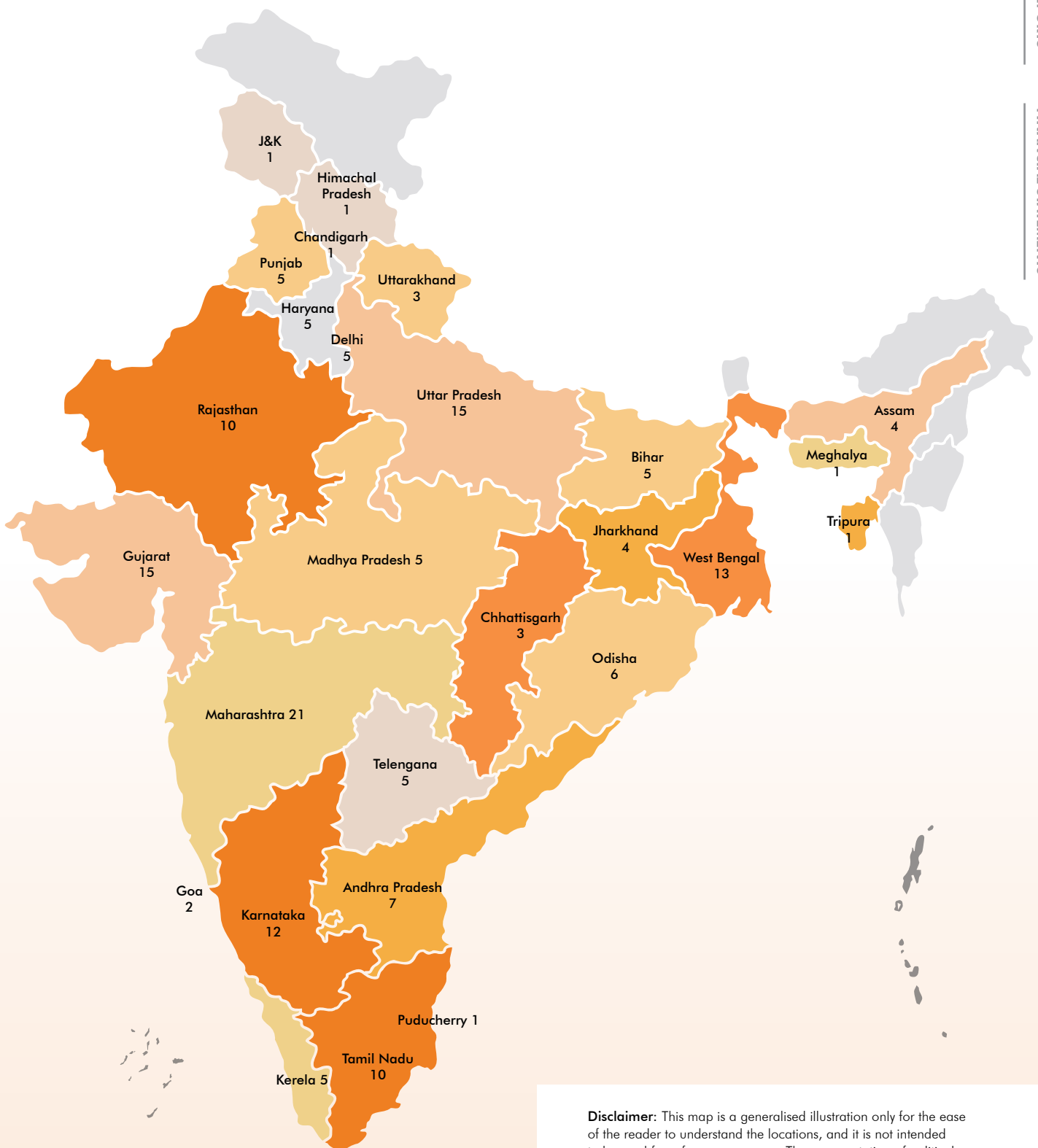
66.3%

**Percentage of Distributors with a
relationship spanning over 5 years**

~62,500

Mutual Fund Distributors

Our Pan-India Presence



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Diversified Expansion

We continue leveraging our position in B30 cities where we have a significant exposure as compared to that of industry. Our size and wide reach provides us with economies of scale in reaching out to potential investors as well as reinforcing our relationship with the existing ones.

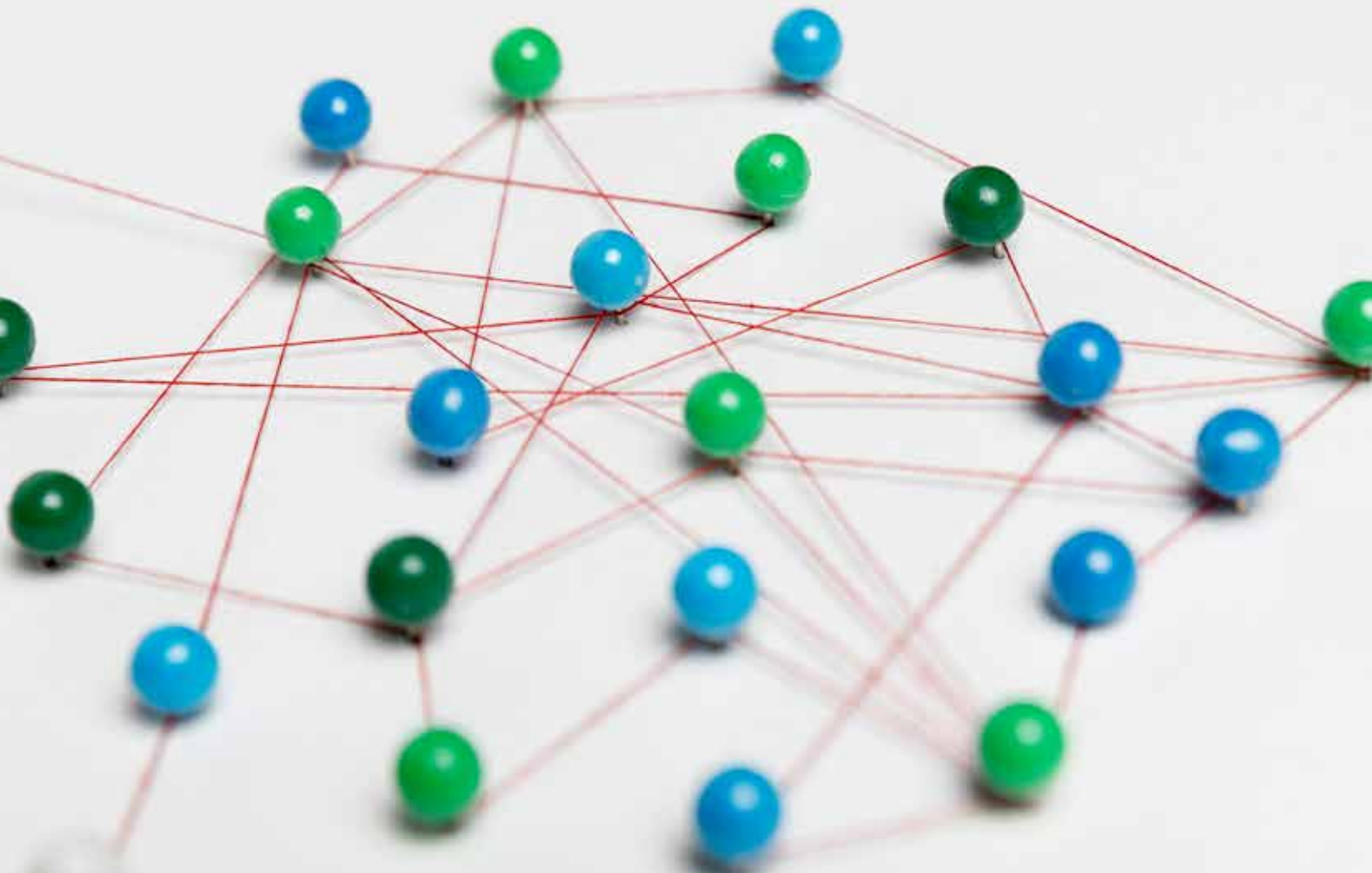
In terms of penetration, India stands relatively lower in mutual fund investments and the opportunities to cater to these investors stand large and wide. Our strategy has been focused in enhancing our network to different regions with the assistance of our in-house sales cadre and distributor partners' leverage.

| B30 Performance | FY 2022-23 |
|------------------------------|------------|
| UFCs | 108 |
| Increase in Number of Folios | 2,51,194 |

| | |
|--|-----|
| Contribution of B30 to UTI MAAUM* | 22% |
| Contribution of B30 to Industry MAAUM* | 17% |

*Monthly Average Assets Under Management

| Contribution to AUM from B30 cities | FY 2022-23 |
|---|------------|
| Direct | 19% |
| Banking and National Distributors (BND) | 9% |
| Mutual Fund Distributors (MFD) | 72% |





Committed to Partnering Growth

We have empowered our distributors with cutting-edge technologies that provide seamless interface both in physical and digital manner. Our relationship with our partners goes beyond monetary benefits and we constantly endeavour to create value for them and foster ease while dealing with UTI AMC brand. For instance, Insta Pay facility was launched to facilitate immediate payouts for our partners.

Our phone relationship team reaches remote and underserved areas, exemplifying our commitment to deliver quality service. We have also assembled specialised teams that cater to clients.

We remain committed to keep nurturing and expanding our network to better serve our customers and stakeholders, while cultivating meaningful relationships with our partners to achieve our shared objectives.






Empowering our Relationships Internally

Our nationwide presence is reinforced by the dedication of our Relationship Managers (RMs). By guiding customers through every step of their journey, they not only foster strong bonds but also contribute to the exceptional customer experience synonymous with UTI AMC. We acknowledge the critical role played by our RMs and provide them with the resources and support they need to deliver unparalleled service to our valued customers.



Our Commitment to Value Creation

Capitals Engaged → Inputs → Our Offerings

| | | |
|---|--|--|
|  | <p>Financial Capital Our strong capital base comprises the financial resources which help create higher returns for our investors.</p> | <ul style="list-style-type: none"> Capital Employed: ₹ 3,867.84 crore |
|  | <p>Human Capital Our human capital consists of a diverse set of people with special skills and experience suitable for adhering to stakeholder needs.</p> | <ul style="list-style-type: none"> Total Number of Employees: 1,377 New Hires: 216 Employee Benefit Cost: ₹ 414.53* crore Different Skill Sets and Backgrounds Training and Development Cost: ₹ 2.13 crore <p style="text-align: right;">*consolidated</p> |
|  | <p>Intellectual Capital Our intellectual capital comprises technology-backed infrastructure and well-established platforms to process investment decisions, manage risks and deliver seamless customer service.</p> | <ul style="list-style-type: none"> Investment towards Digitalisation: ₹ 4.39 crore 24x7 Digital Channels UTI Buddy: Office-on-the-go App and Web Interface for MFDs No. of Digital Marketing Campaigns, Multi-media Marketing Platform for Email, SMS, Push Notifications and Many Others: 1,000+ Digital KYC: Paperless and Contactless KYC process Amount disbursed through Insta Brokerage Module on UTI Buddy App: ₹ 9.4 crore |
|  | <p>Social and Relationship Capital Our social and relationship capital is built on our strong and long-standing relationships with our key stakeholder groups.</p> | <ul style="list-style-type: none"> No. of UTI Financial Centres (UFCs) in India: 166 Districts Present in: 697 District Associates: 210 MF Distributors: ~62,500 Taxes Paid: ₹ 145.94 crore Amount Spent on CSR Activities: ₹ 9.92* crore <p style="text-align: right;">*consolidated</p> |
|  | <p>Natural Capital Our operations' direct usage and impact on natural resources, such as energy, water, climate, and our influence through our economic activities.</p> | <ul style="list-style-type: none"> Signatory to United Nations – Principles of Responsible Investing Framework Adopted paperless office system, Smart e-approval System Implemented sensor-based water faucets, sensor-based lighting All meeting rooms in corporate office equipped with motion sensor-based lighting and AC on touchpad control |

Key Value Drivers



Vision

To be the most preferred Asset Manager



Mission

The most trusted brand, admired by all stakeholders

Enable our customers to achieve their financial goals

Asset Manager with a diverse suite of products and global presence

Be the employer of first choice

A socially responsible organisation, known for the best corporate governance

Our Offerings

68 Mutual Fund Schemes Managed

Active Strategies

- Equity
- Fixed Income and Liquid
- Hybrid
- Solutions

Passive Strategies

- ETFs
- Index
- FoF

Our strong commitment to continually create value motivates us to fulfil our promises to become the most favoured asset manager, the leading employer, and a responsible corporate entity. We are committed to achieving excellence on the performance metrics associated with our responsibilities towards different stakeholder groups, including investors, employees, government officials, and industry organisations. We intend to add value holistically through innovative mediums beyond our evolving product range.

Output

SDG's Impacted

Key Strategies Fostering Value Creation



Prudent Investment Management Process



Geographical Spread Across the Country



Attracting the Right Opportunities through Partnerships



Growth of International, Retirement and Alternate Business



Leveraging Digital Adoption



Consistent Development of Human Capital

Return to Shareholders and Investors

- Revenue from Operations: ₹ 1,266.86 crore
- ROE: 11.68%
- ROA: 10.72%
- PAT: ₹ 437.36 crore
- Dividend Declared: ₹ 22 per share
- EPS: ₹ 34.45 (Basic EPS); ₹ 34.44 (Diluted EPS)



- UTI MF's Employee Retention Rate: 84.69%
- Amount spent on employee benefits: ₹ 414.53* crore
- Amount spent towards training needs of employees: ₹ 2.13 crore
- Robust Fund Management Capabilities



*consolidated

- No. of Digital Transactions: 1.41 crore
- % Sales done through digital platforms in FY 2022-23: 94.7%
- We envisage using analytical tools and our digital marketing platform to identify and capitalise on cross-selling and upselling opportunities
- Number of Purchase Transactions through Digital grew by 24% in FY 2022-23



- Live Folios: 1.22 crore
- Customers (Folios) added during FY 2022-23: 3.02 lakh
- Total Correspondence Volume from Investors: 8.6 lakh
- No. of Shareholder Meetings Held: 1
- No. of Grievances Resolved: 104
- No. of Lives Benefitted through CSR: ~25,000 in FY 2022-23



- Total Waste Recovered Through Recycling: 19.44 MT
- Energy Consumption From Renewable Resources: 7,774.416 GJ
- Water Discharge with Treatment: ~8,305 KL, PH - 7.63 & TDS - 420
- Received Green Energy Certification

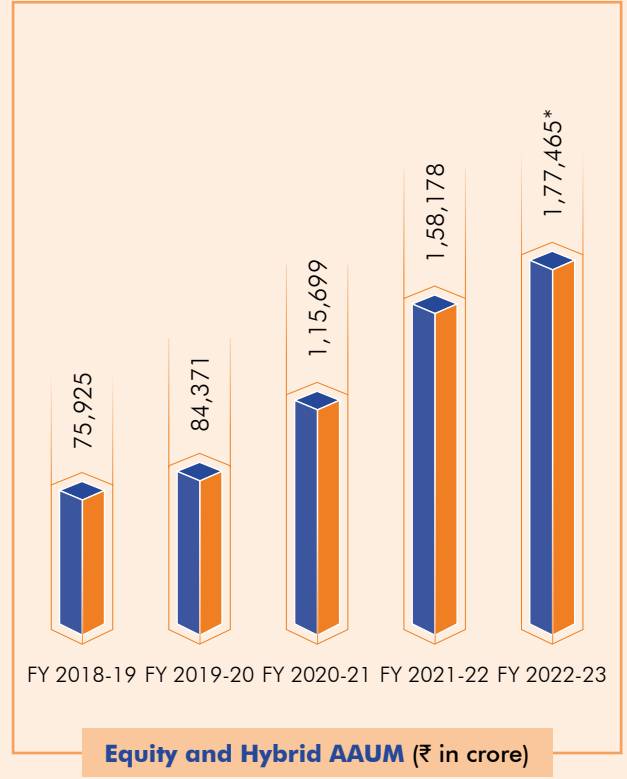
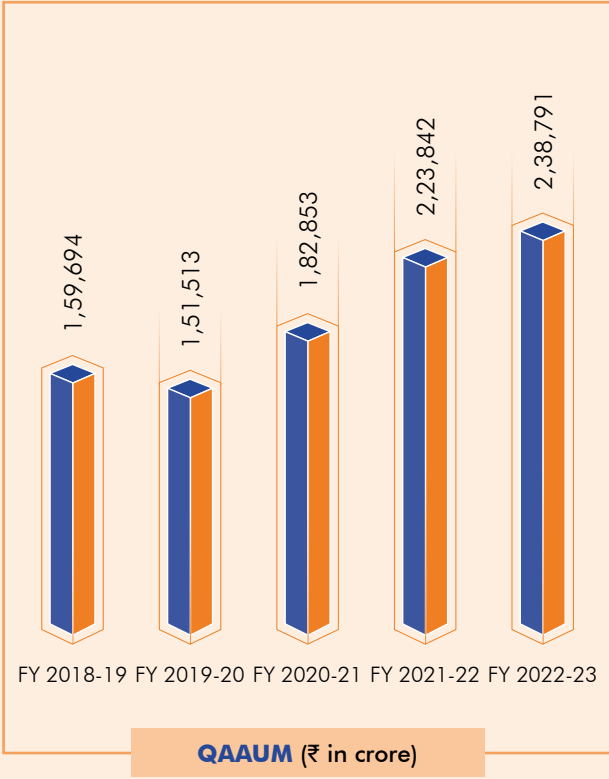




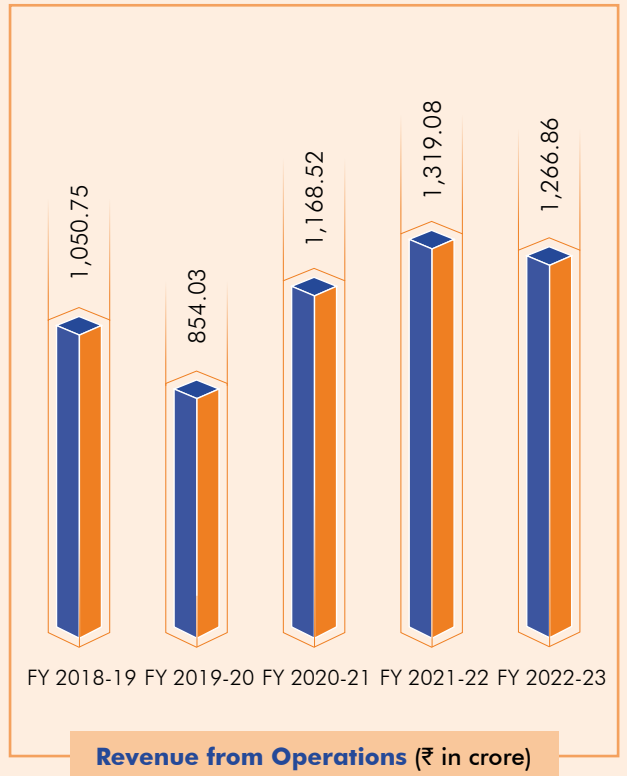
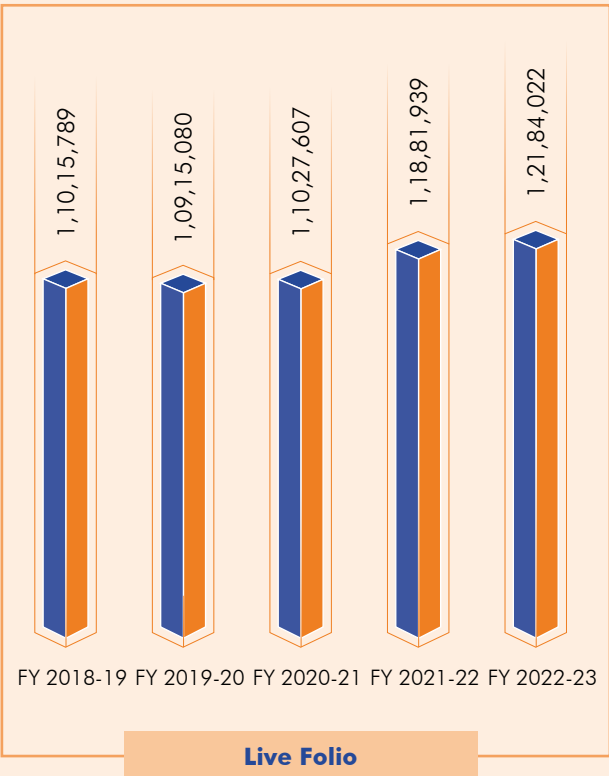
Financial
Capital

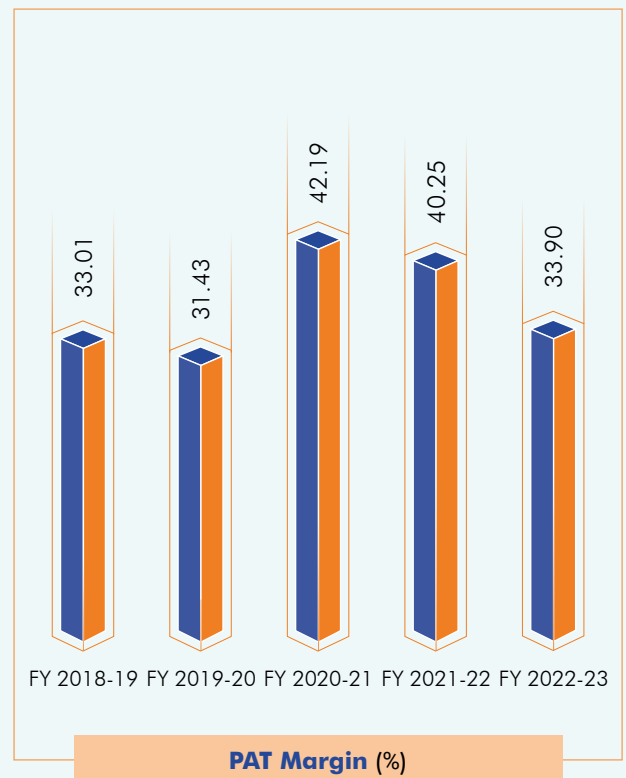
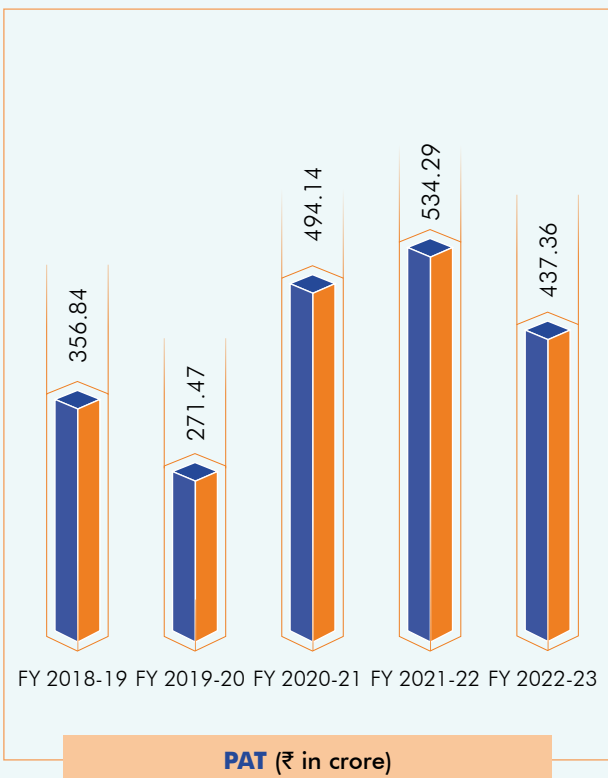
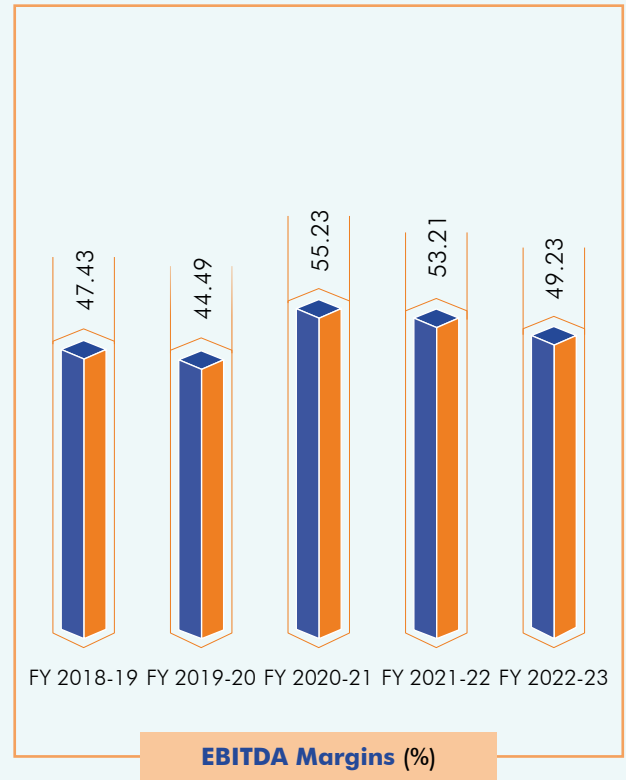
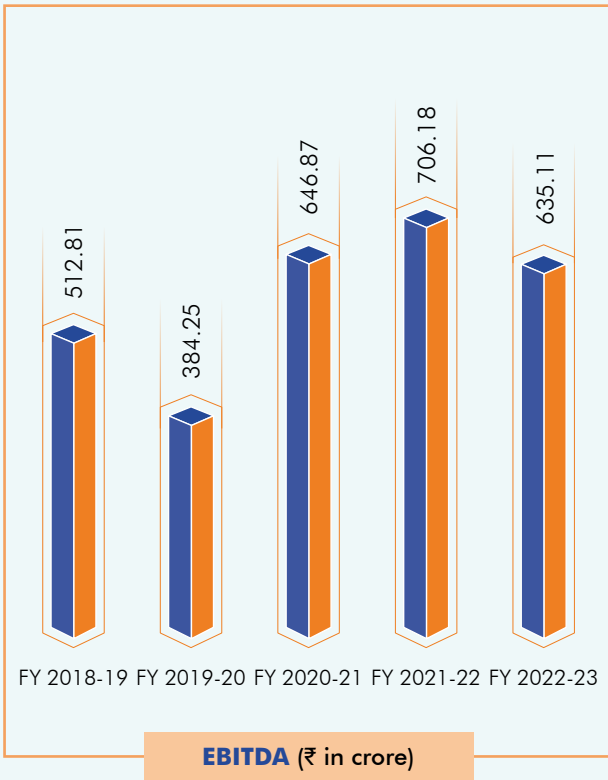
**Moving Ahead
with Conviction,
Capabilities and
Commitment**

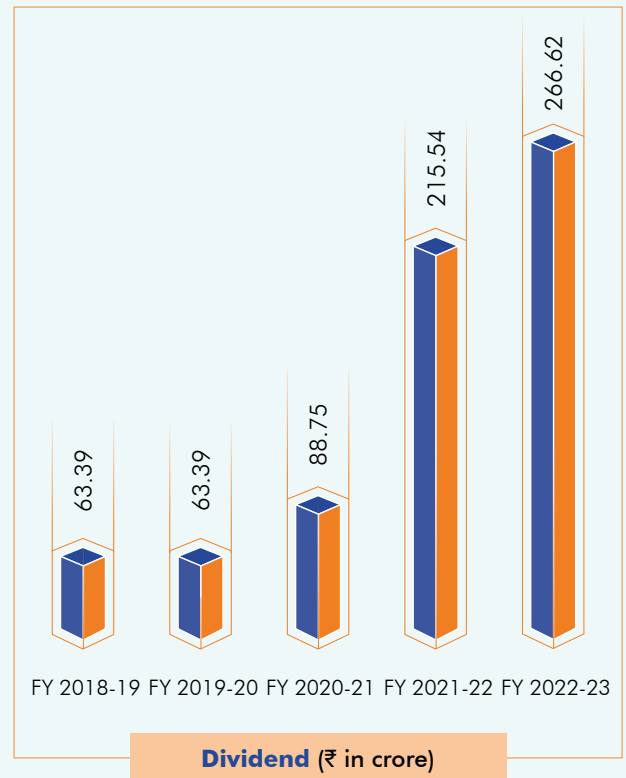
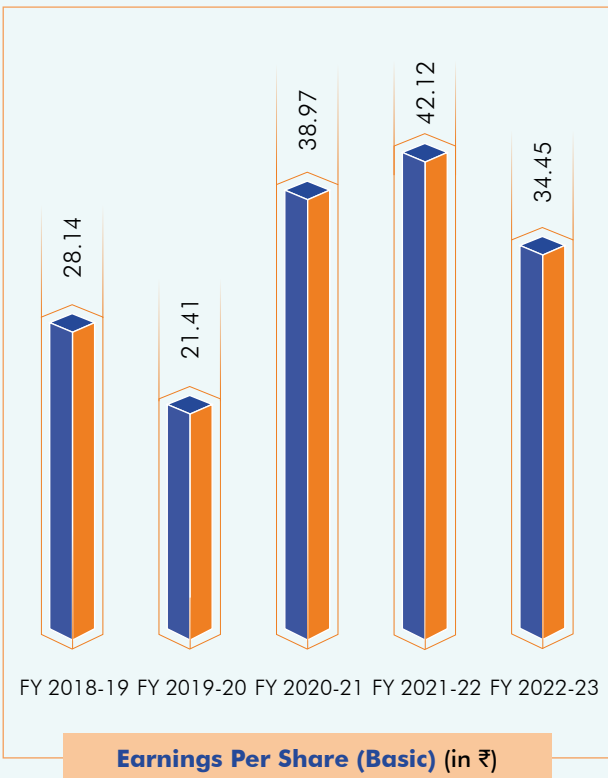
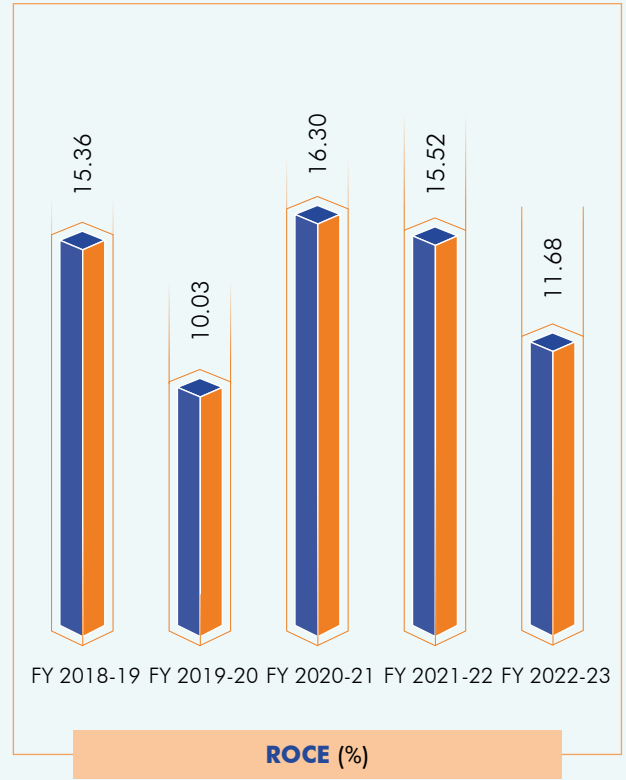
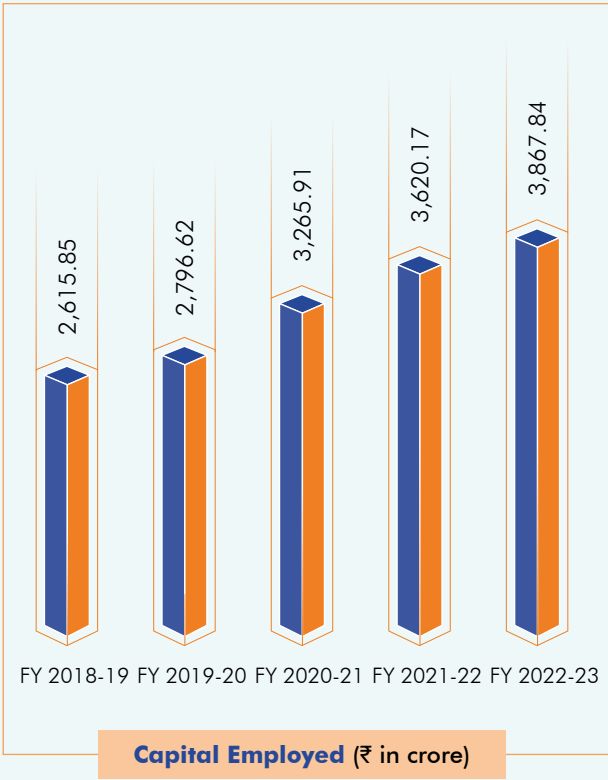
As a leading Asset Management Company, we prioritise effective management of our financial capital to maintain our consistent performance and capture emerging opportunities. Our focus on sustainable growth has enabled us to strengthen our financial performance and expand our customer base year after year.



*including all passive







Capitals Trade-offs

| Capitals Impacted | | Stakeholders Impacted | |
|-------------------------|--------------|-----------------------|--------------|
| Human | Intellectual | Customers | Distributors |
| Social and Relationship | Natural | Employees | Communities |

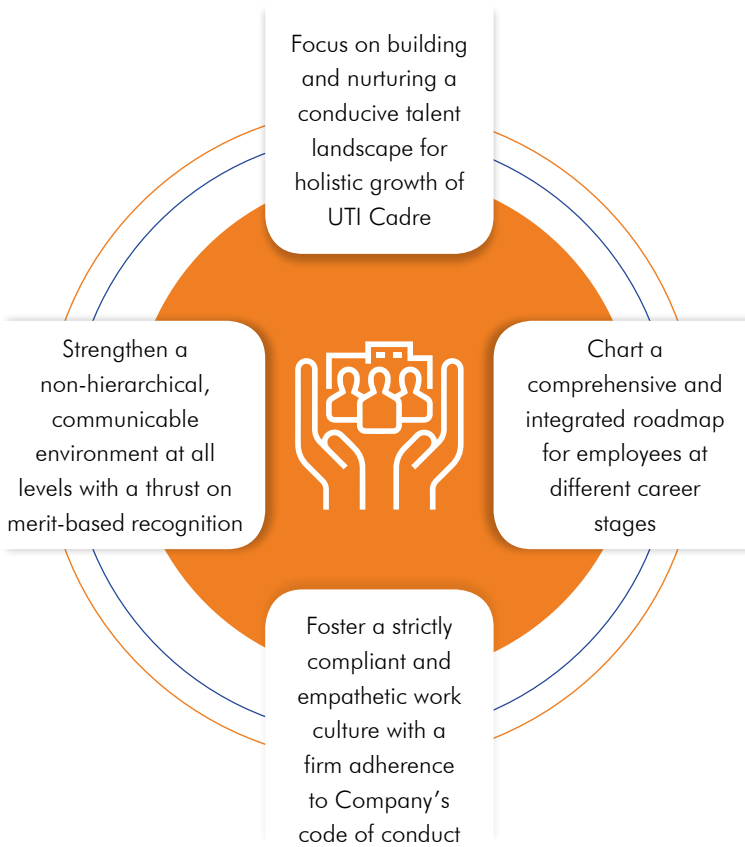


Human
Capital

Elevating Capabilities through Our Talent

At UTI AMC, we boast of a blend of diverse and inclusive workforce equipped with the ability to deliver exemplary performance. Our practices foster a collaborative environment, that exhibit a merit-based culture through equal opportunities and transparent assessment. Regular trainings and orientation programmes hone capabilities that steer a well-planned career path for the employees. We cultivate a skilled cadre that thrives both professionally and behaviourally. Many interventions have been integrated for the emotional and physical well-being of the members of UTI family leading to an all-round development of the employees.

People and Culture at UTI AMC



Our Talent Landscape

45 years

Average vintage of employees

84.7%

Employee retention rate

27%

Women employees proportion out of the total workforce

Multi-Generation Workforce

| Multi-Generation Workforce | Number of Employees - Overall | % Of Employees – Overall | Number of Officers | % of Officers | Number of Non-officers | % Of Non-Officers |
|-----------------------------------|-------------------------------|--------------------------|--------------------|---------------|------------------------|-------------------|
| Baby Boomers (1946 - 1964) | 39 | 2.97 | 4 | 0.42 | 35 | 9.89 |
| Gen X (1965 - 1979) | 761 | 57.91 | 442 | 46.04 | 319 | 90.11 |
| Gen Y (Millennials) (1980 - 1994) | 345 | 26.26 | 345 | 35.94 | 0 | 0 |
| Gen Z (1995 - 2012) | 169 | 12.86 | 169 | 17.60 | 0 | 0 |
| Total | 1,314 | 100.00 | 960 | 100.00 | 354 | 100.00 |

*The above table represents employee count on standalone basis

Our unwavering commitment to our employees drives us to consistently prioritise their needs. We have relentlessly focused on identifying and addressing their concerns while implementing strategies that foster a more diverse and inclusive organisation. Our goal is to inculcate a workplace culture that promotes growth and development for all individuals, thus creating a high-performance organisation. To achieve this, we have implemented a range of key initiatives that covers various aspects of this spectrum. Over the last few years, we have been meticulously working towards four broad areas entailing talent infusion, training and development, performance and evaluation and employee engagement.

Infusing Talent

We are keen on cultivating a youthful and dynamic workforce and have consequently placed an additional emphasis on infusing young talent within the organisation.

30 years

Average age of employees hired in FY 2022-23

Regular studies were conducted to identify the trends on what potential candidates expect from employers. Mapping these with the Company's practices has helped us in reimagining UTI AMC as a brand of choice among young aspirants. Meticulous efforts have been put in to inculcate some of the best practices which has helped us attract fine talent from campuses across functions from leading B-schools. The management trainees are then groomed to acquaint them with the work culture, internal practices and align them with the Company's goals.

A well thought strategy for campus hiring and a positive shift in perception has encouraged building strong relationships with the business schools.

26

No. of New Hires during the year, through campus placements

At UTI AMC, we have also made a conscious effort to decentralise our recruitment resources for a swifter and more efficient talent infusion across offices. We have attempted to create bridges between the available talent pool which might not be directly accessible and our own demand for diverse and skilled candidates by leveraging various hiring channels across online professional networks.

Our onus has been on structured recruitments with a keen focus on diversity. During FY 2022-23, UTI AMC has witnessed a steep ascend in women hiring at all levels.

~60%

Hiring of women from Campuses in FY 2022-23

56

Women hired across functions in FY 2022-23

As a people driven Company, UTI AMC has always placed an additional emphasis on promoting talent from within the organisation. Through a structured scientific assessment process, interested employees are evaluated for cross functional hiring requirements. This assists in fulfilling the recruitment needs faster, developing a roadmap for internal employee by widening their skills set and retaining key talent within the Company.





Training and Development

Development through continuous training has enhanced competencies holistically for UTI AMC family. A 360-degree diagnostic learning approach is followed for building a conducive environment right from strengthening the domain knowledge to behavioural skills, encouraging top down and bottom up communication mediums and cross functional interaction. This, followed by detailed round the year assessments, have enabled the workforce to deliberate and course correct to optimise productivity at any given time.

We prioritise our employees' growth through systematic assessments that enables us to evaluate the need for training for the desired set of competencies. While diagnostic studies are done to understand the base line abilities, functional assessments are conducted for specialised skills. This helps in designing comprehensive training programme for each employee for a holistic development for their current as well as projected career maps.

During FY 2022-23, extensive exercises were conducted for all domains that included Investment, Sales, IT and ESG. For our fresh hires, we ensured ample on-the-job mentoring and regular knowledge sessions. Digital transformation being at the forefront in strategy for the organisation, employees have undergone rigorous trainings to make them technology friendly and bringing in ease while adapting to cloud-based applications. A strong emphasis was given to upskill all employees at different career stages to conduct automated tasks with proficiency even while on the go. Strict adherence to compliance was adapted where most of our employees successfully completed all mandatory modules within the stipulated time.

Another core area for UTI AMC has been to make the senior level cadre future ready to be the leaders of tomorrow. Various leadership development programs for senior leadership team have been conducted at central, zonal and regional levels to prepare them take steeper responsibilities as they move up the hierarchy. Few of our fund managers were certified with ESG investing trainings which has become an integral part of the organisation's overall strategy.

To build further gravitas, our senior most leadership team attended Ivy League Institutes for specialised training. We aim to build a promising leadership bench strength in line with our robust succession plan.

13,114

Hours of Digital Training Provided

1,364

Number of employees trained via digital module

Performance and Evaluation

UTI AMC strongly promotes a culture of meritocracy, where recognising and rewarding performance of employees in a fair and transparent manner is of prime importance. Our transparent and objective key result area (KRA) based performance management system facilitates employees' assessments in a holistic manner and embodies the pay for performance culture. Role based scorecards at the employee level coupled with managerial feedback ensure continuous enhancement of employee's skill set, which are integral to drive a high-performance culture. The sales cadre is assessed quarterly which promotes open communication round the year and encourages reformation wherever necessary to achieve the desired performance. Our compensation is benchmarked to the industry which helps in attracting best talent while retaining our best performing employees.

158

Number of employees promoted in FY 2022-23

17%

Percentage of women in the leadership cadre in FY 2022-23



Improving Employee Experience

In the changing times, post pandemic, a lot of focus is being brought to the organisational culture beyond work commitments. The way new joiners are handheld during the initial phase, to how the Company is engaging with employees to help them overcome the challenges of work life balance is being looked upon closely by not only the existing workforce but also by potential candidates. Thus, it becomes imperative for Companies to look beyond the workstations to engage and embed a deeper value-based relationship than just an employee employer bond.

We value our members and have pledged to always ensure their well-being. The Company offers extensive medical, ancillary and wellness benefits to UTI team which includes an improved health insurance coverage and various wellness

programs. Several socially impacting interventions like blood donation drives and health talks by senior doctors are organised from time to time.

Flexibility to new mothers, exhaustive maternity and paternity benefits are offered to employees which stand as the best in the industry. We value our employees with utmost care, even the ones we unfortunately lost in the pandemic, and we choose to stand by their families. This encouraged us to provide education assistance to the children of the deceased employees.

We encourage stimulating conversations which can rejuvenate and build camaraderie amongst teams and hierarchies. Our national and regional meets like sports day, sales meet, cultural events provide perfect ambience to build such bonds.

What Future holds

At UTI AMC, we are committed to provide our employees with an enriching experience and an invigorating environment that empowers them to excel in their roles. To achieve this, we are constantly exploring innovative approaches and engaging with our team members through surveys and initiatives designed to foster a deep sense of involvement and connection.

Additionally, we are focused on advancing our digital capabilities and plan to undertake a comprehensive study to better understand our employees' digital proficiency levels. This will enable us to create an extensive digital learning roadmap, empowering our team members to thrive in an increasingly efficient future.

| Capitals Impacted | Stakeholders Impacted |
|-------------------------|-----------------------|
| Financial | Customers |
| Intellectual | Employees |
| Social and Relationship | Distributors |
| | Communities |



Social and Relationship Capital



Honouring Our Commitments towards Stakeholders

As an organisation deeply committed to addressing the needs of all stakeholders, we view our social capital as an essential contributor to our business' continuous success. By leveraging the relationships we have formed with our valuable stakeholders, we strive to cater to the needs of the wider community through our various initiatives.





Through promotion of the welfare of communities to the best of our capabilities, we aim to raise awareness about the vast potential that financial markets offer so that people can have access to the right information and achieve their financial aspirations.



Bridging the Gap between Investors and Opportunities through UTI Swatantra

Over the last decade, UTI AMC has conducted several programmes to raise awareness around the availability of various financial products, thus allowing them to make educated decisions.

Our approach involves connecting and engaging with our target audience at every step, utilising primary touchpoints such as engagement through partners and social media channels, and developing carefully curated financial and investment-based educational training programmes. Our central aim is to empower people from all walks of life, age groups, and genders to evaluate various financial products to achieve their investment goals.

Investor Awareness Programmes (IAPs)

We conduct Investor Awareness Programmes across multiple cities for different target audiences. The core objective of these programmes is to create awareness about investment and financial planning amongst the target audience.



Themes

Tax Planning

Wealth Creation

334
Number of IAPs during FY 2022-23

19,190
Registrations

Quora-Swatantra Kumar

Our Quora Handle – Swatantra Kumar, was created to educate investors on various topics ranging from financial planning, goal-based investments, tax savings, the significance of starting early, and retirement, to name a few. Through the handle, various queries, from individuals enthusiastic about commencing their investment journey, were addressed.

98 lakh

Viewership for Swatantra Kumar on Quora

Investor Education Campaigns

We ran frequent bite-sized campaigns to further our investor education initiatives and raise awareness about the different financial instruments available.

In FY 2022-23, we conceptualised & executed two investor education campaigns on Out of Home (OOH) media & an investor education media-led content.

Traffic IE Outdoor Campaign

The campaign was built around a unique concept connecting fundamentals of Mutual Fund investing with road traffic signs. The campaign was live in 10 cities for a duration of 30 days on main traffic junctions and key areas. To ensure wider reach, we further increased the coverage of our campaign via digital amplification on our digital assets and social media platforms. The outdoor campaign garnered a total unique reach of 31 million people with an average viewership frequency of 25.08 per individual.



Large Cap & Flexi Cap outdoor campaign

The campaign objective was to increase investor awareness on two key MF categories, large and flexi cap funds. The campaign was live in 100 cities for a total duration of 30 days. The creatives had also been translated in eight regional languages for a stronger regional connect. The campaign was promoted on our digital assets and social media handles to reach a wider audience. The OOH campaign garnered a total unique reach of 62 million people with an average viewership frequency of 14.74.

India Invest Karo- Moneycontrol

This was a media led investor education initiative launched in collaboration with Moneycontrol. The campaign consisted of content formats like infographics, videos, voxpops, investor interviews, white board animation etc. which were hosted on India Invest Karo microsite and promoted on social media. The content explored different themes like behavioural biases, retirement, inflation, foreign education etc. The initiative aimed to resolve complexities of retail investors regarding their decision-making process. The campaign garnered a total reach of 64 million with 52.3 million impressions and generated 49,000+ registrations.



Disclaimer: Mutual Fund investments are subject to market risks, read all scheme related documents carefully.



Azadi ka Amrit Mahotsav Campaign

In celebration of the 75th year of Independence with Azadi Ka Amrit Mahotsav, we launched a campaign aimed at encouraging potential investors to dream big and strive towards financial independence. Through this initiative, we conveyed that as they applaud India’s present accomplishments, they or their children could be the recipients of such accolades tomorrow, by planning ahead and achieving financial security.

SIP Se Hoga Campaign

Our #SIPSeHoga campaign aimed to inspire potential investors to achieve their goals and ambitions through SIP to overcome financial shortfalls. The campaign emphasises that SIP can be the tool to attain financial independence and meet dependent aspirations. We recognise that individuals encounter diverse challenges, aspirations, and goals at different life stages, and SIP can be an investment avenue that offers ease, flexibility, and affordability. Through this campaign, we seek to educate and empower our customers to make informed investment decisions that align with their financial objectives.



Children’s Day Campaign

The campaign aimed to draw parallels between children’s habits at school and investment tips for adults. By teaching children the basics of investing, we were able to offer valuable lessons to parents. The focus was on encouraging parents to invest early and regularly for their child’s future, through starting an SIP. The campaign leveraged short videos created by parent-child influencers, explaining simple financial concepts to children, for promotion on digital media. The message was clear: starting an SIP for your child’s future is a wise investment decision, and the earlier you start, the better.

Index Fund Campaign

Our Index Fund campaign draws a parallel between the challenges of first experiences in life, such as the first jump in a pool, the first brushstroke on a canvas, or the first step towards learning a dance, and the hesitancy and confusion associated with first-time investing. We encourage first-time investors to take their first step towards mutual funds with passive investing, using the simple and effective tool of index funds. Our campaign theme, ‘Pehla Kadam with Index Funds,’ aims to make mutual fund investment accessible and easy for all.



Weekending with Investments

The campaign's central theme is ‘Ab har weekend spending ke saath investing bhi’. Digital channels are accessible round-the-clock, making weekends ideal for learning about mutual funds, planning investments, setting goals, rebalancing portfolios based on asset allocation, and starting SIPs or lumpsum transactions. The campaign aimed to promote weekend investing and targeted specific segments. It encouraged individuals to learn, plan, and evaluate investments during weekends.

₹ 9.4 crore

Amount disbursed through Insta Brokerage Module on the UTI Buddy App in FY 2022-23

8 crore

Customers reached through Digital Paid Campaigns via Search and Display platforms in FY 2022-23

in : 24k  : 37k
f : 353k  : 18k

No. of followers/subscribers on various social media platforms

13k

Mutual Fund Distributors using UTI Buddy Application

Going Ahead

The phygital model has yielded positive results, with more businesses adopting this approach. Adapting to the evolving needs of the industry is critical to our growth, which means bolstering our physical branches to complement our digital integration. Our success lies in our ability to adapt to change and innovate for the future.

Serving the Community

At UTI AMC, we are strongly committed to contributing to the development of society and adding value in various ways, owing to the principles of generosity, humanity, and compassion that are deeply instilled in our organisation. In line with our objective of being a socially responsible organisation, we have undertaken various CSR initiatives to support education, health and environment.


Cardiac Diseases – Awareness, Screening & Treatment Programme

Health



Implementing Agency:

Swami Vivekanand Medical Mission (SVMM)

 Nagpur and adjoining areas, Maharashtra

The project sanctioned in 2021, has provided direct benefits to more than 15,500 people through screening camps held at various locations in and around the Nagpur District of Maharashtra. Additionally, the project has enabled the Swami Vivekanand Medical Mission Hospital, a voluntary and charitable organisation striving to offer low-cost and high-quality health care to all, to perform over twenty successful open-heart and by-pass surgeries for at-risk patients from underprivileged sections of society.


Young India – Facilitating the sustainable future of youth in Jharkhand

Education & Rural Development



Implementing Agency:

Nav Bharat Jagriti Kendra (NBJK)

 Hazaribagh, Koderma & Giridih, Jharkhand

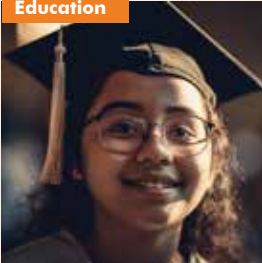
Young India project shapes Jharkhand's youth's future with two programmes:

- ① Quality education improvement and academic performance of high school girls through Remedial Coaching Centres (RCCs) in Hazaribagh, Jharkhand
- ② Enhancing employability & skills of the youth through Mission Rojgar in Hazaribagh, Giridih, and Koderma

UTI AMC's partnership with NBJK has been improving education and livelihood for about 2,000 underprivileged girl children of class 8-10 and over 1,200 young adults in Jharkhand till date. The project helped in enhancing rural conditions via education and skill enhancement and serves two NITI Aayog aspirational districts – Koderma & Giridih.

UTI AMC Scholarship & Co-building Ashoka

Education



Implementing Agency:
Ashoka University
(International Foundation for
Research & Education)

📍 Ashoka University,
Sonepat, Haryana

UTI AMC has previously sponsored the entire graduation journey for thirty-one undergraduate students through a 65% tuition waiver UTI AMC Scholarship from the academic year FY 2019-20 to FY 2021-22. In line with the reliable results, we sponsored another eighteen students – 10 third year undergraduates and 8 Young India Fellows with the UTI AMC Scholarship. About 75% of these students are now in their first jobs and the rest are pursuing higher education.

During FY 2022-23, we sponsored the graduation journey for 9 first year undergraduate students through a 65% tuition waiver UTI AMC Scholarship while also contributing to the operational expenses of the expanding campus of the University.

Enhancing Water Security and Health in Thar Desert Region – Phase II

Environment Sustainability & Rural Development



Implementing Agency:
Gramin Vikas Vigyan
Samiti (GRAVIS)

📍 Jaisalmer, Rajasthan

GRAVIS implemented water harvesting techniques and farming interventions in fifteen villages in Jaisalmer and Sankra block of Jaisalmer (a NITI Aayog Aspirational District) to build community learning and capacity. Water storage units have been constructed for domestic consumption and farming needs, and the villagers are trained to optimise available resources in their harsh weather conditions. GRAVIS also organised outreach medical camps and awareness sessions for the villages' population of over 30,000.

The Municipal School Project – Natwar Nagar Mumbai Public School

Education



Implementing Agency:
The Akanksha Foundation
(TAF)

📍 Jogeshwari, Mumbai,
Maharashtra

Akanksha Foundation's 'The School Project' helps develop high-performing schools within the public education system in collaboration with the Municipal Corporations in Mumbai, Pune, and Nagpur. It aims to provide quality education to low-income students and create a scalable school model for systematic reforms in education. UTI AMC has supported the project since 2015, assisting Wadibunder Mumbai Public School and Natwar Nagar Mumbai Public School. In FY 2022-23, UTI AMC extended financial support to Natwar Nagar Mumbai Public School, catering to approximately 400 students from KG to Grade 9.

Sponsorship of Holistic Education, Lodging & Boarding of fifty visually impaired students

Education



Implementing Agency:
Victoria Memorial School
for the Blind (VMSB)

📍 Tardeo, Mumbai,
Maharashtra

A 121-year old institute, Victoria Memorial School for the Blind is recognised as a specialised institution for education of children with visual impairment. A residential school with a capacity for one hundred students, it provides free education, nutrition, accommodation, sports facility, skill trainings and career guidance to its students. Over the last five years, UTI AMC has been associated with the organisation, sponsoring the holistic education, lodging & boarding of the students at the school. This year, we supported half the student body of the school under our CSR endeavours.

Inclusive School for the Differently-abled Children

Education



Implementing Agency:
Institute for the
Handicapped and Backward
People (IHBP)

📍 Kolkata, West Bengal

IHBP is a Kolkata-based non-profit organisation set up by a differently-abled person himself, working for over two decades to uplift and develop marginalised and vulnerable sections of society in West Bengal. Their non-residential special school provides 225 differently-abled children with holistic education to enable them to lead a self-dependent life and assimilate into society. The school helps children with hearing impairment, cerebral palsy, autism, and mental disorders.

Clinical Services for Children with developmental disabilities

Health



Implementing Agency:
Ummeed Child
Development Centre

📍 Mumbai, Maharashtra

Ummeed is a non-profit organisation that aims to support children with developmental disabilities and promote their inclusion in society. Its team of over 100 professionals, including paediatricians, therapists, and educators, provides direct services to around 1,200 children annually through 8,000 sessions, including home visits. Concessional clinical services are provided based on family income. UTI AMC has been sponsoring clinical sessions for children since 2020 and has sponsored over 4,500 sessions for approximately 700 children so far.



Procurement of Consumables for Robotic Surgeries for patients at the Urology Department of Safdarjung Hospital

Health



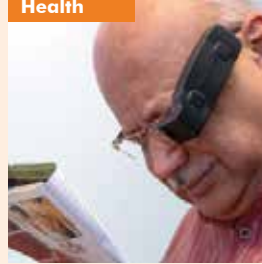
Implementing Agency:
Safdarjung Hospital

📍 Safdarjung Hospital,
New Delhi

Provide access to robotic surgeries for patients with uro-oncological conditions, cancers, and kidney failures, the Robotic Surgical Unit was set up at Safdarjung Hospital in New Delhi, which is the largest hospital under the Ministry of Health & Family Welfare, Government of India. UTI AMC helped the procurement of consumables for the robotic surgeries at the Urology Department of Safdarjung Hospital, reducing the procurement process time from 6-9 months to approx. 2 months. This ensured that at-risk patients were able to receive prompt robotic surgeries. Approximately one hundred patients received help from the consumables procurement facilitated by UTI AMC.

Project DRISHTI

Health



Implementing Agency:
Rotary Club of Madras East Trust (RCME)

📍 Mumbai, Maharashtra

UTI AMC has partnered with the Rotary Club of Madras East (RCME) to provide 150 blind individuals with a Smart Vision assistive wearable device that would help them to be more self-dependent. The device incorporates Artificial Intelligence, Machine Learning, Machine Vision and Internet of Things to help the wearer recognise objects, faces and expressions, and also their surroundings with the help of any smart phone. The device can help the wearer read, navigate with directions, identify objects and ease their day-to-day life.

| Capitals Impacted | Stakeholders Impacted |
|-------------------------|-----------------------|
| Financial | Communities |
| Intellectual | Employees |
| Social and Relationship | Shareholders |
| | Regulatory Bodies |
| | Distributors |





**Intellectual
Capital**

Harnessing Our Technological Capabilities

Our dedication to meeting our customers' evolving requirements drives us to consistently provide value on multiple fronts. Our ability to swiftly adapt to their increasing preference for digital channels has made us a forward-thinking organisation. By strengthening our digital focus and incorporating cutting-edge technology to enhance our processes, we have experienced significant success and are well-positioned for future growth. Our 3D Model, which includes Digital, Direct, and Distribution channels, has helped us expand our investor base and reach more people.



94.7%

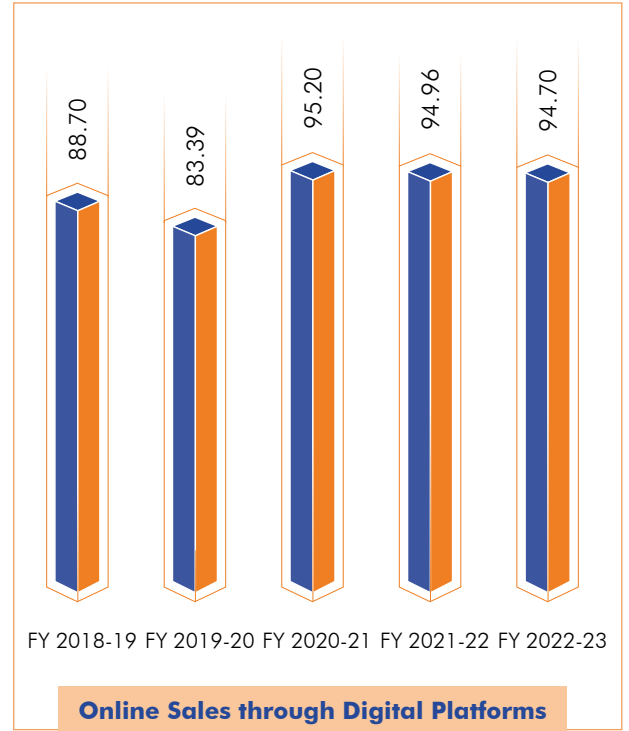
Gross Sales done through digital platforms in FY 2022-23

₹ 4.39 crore

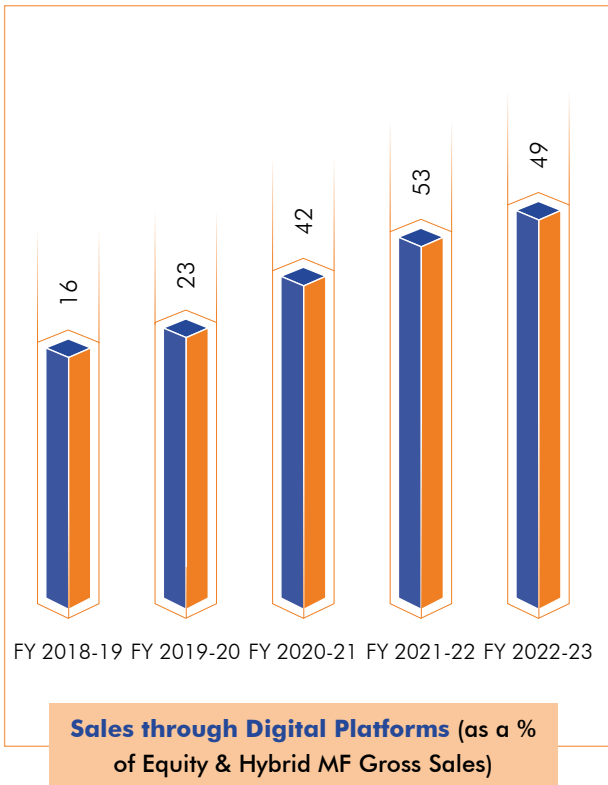
Investment towards digitalisation

4.32 lakh

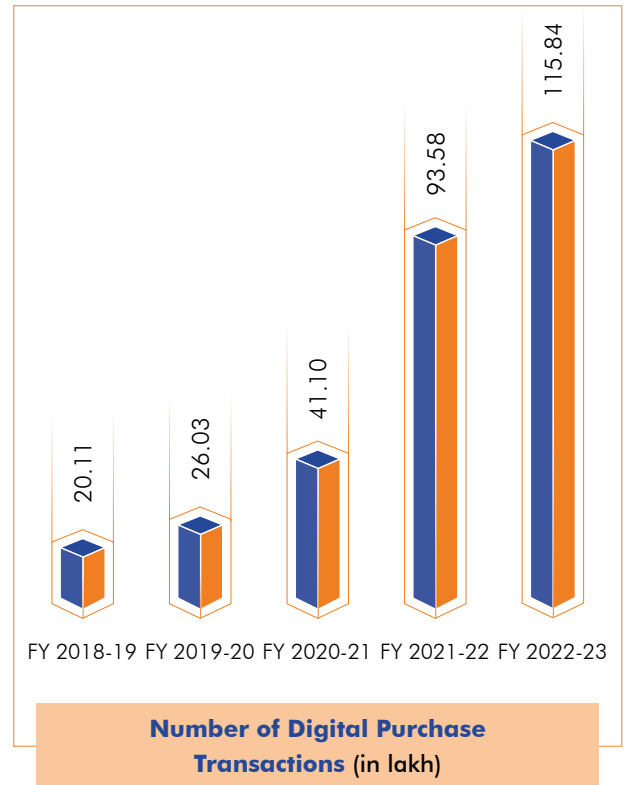
Followers across various social media platforms



The increasing digital orientation of our customers can be witnessed through the higher share in online sales as a percentage of the total gross sales during FY 2022-23.



We have strengthened our digital capabilities and now attribute 49% of our sales to digital platforms.



The growing number of digital purchase transactions portrays both the growing participation in the mutual fund industry and the digital progression that the industry has witnessed.





Leveraging Technology to Enhance our Offerings

| | |
|---|--|
| <p>Investment Management</p>  | <ul style="list-style-type: none"> ① Technology has aided in improvement of investment management processes ① Advanced analytical tools and techniques have been implemented to gain insights on market trends, monitor portfolio performance, and identify investment opportunities ① Investment decision making has been improved through use of technology ① Better investment outcomes can be achieved for our clients |
| <p>Operations and Workflow</p>  | <ul style="list-style-type: none"> ① Technology has also helped us to improve our operations and workflow processes ① Implemented automated processes for tasks such as account opening, document verification, and transaction processing, which has reduced manual errors, increased efficiency, and improved the speed of our processes |
| <p>Customer Service</p>  | <ul style="list-style-type: none"> ① Technology has transformed the way we interact with our clients ① Implemented chatbots, customer relationship management tools, and other digital tools to provide a more personalised and seamless customer experience ① Helped us to improve customer engagement, increase customer satisfaction, and reduce response time |
| <p>Data Analytics</p>  | <ul style="list-style-type: none"> ① Technology has been crucial for data analytics in our business ① Advanced data analytics tools have been implemented ① Leveraged emerging technologies such as AI and ML to gain insights into customer behaviour, market trends, and portfolio performance ① Enabled us to make more informed decisions, identify emerging trends, and deliver customised solutions to our clients |
| <p>Cyber Security</p>  | <ul style="list-style-type: none"> ① Technology has enhanced our cybersecurity measures ① Advanced security protocols have been implemented ① Multi-factor authentication has been implemented ① Real-time monitoring has been implemented ① Cyber threats are prevented through technology ① Clients' data is secure due to enhanced cybersecurity measures |

Our commitment is to constantly improve our processes and systems, ensuring that they are in sync with the latest technology advancements to provide exceptional services to our customers. Additionally, we understand the importance of delivering our services promptly and reliably, as our customers depend on our real-time availability.

We are looking to provide our customers and distributors with new digital services, considering the many benefits that technology offers, including:

Expanding our reach through Technology

| | | |
|---|---|--|
|  | 24X7 Digital Channels | <ul style="list-style-type: none"> ④ UTI MF website & UTI MF mobile app for investing & servicing ④ UTI MF Chatbot 'UNO' & 'WhatsApp for Business' - Conversational exploring, investing, and servicing |
|  | Community Building Touchpoints and Initiatives | <ul style="list-style-type: none"> ④ UTI Swatantra initiative ④ Investor education communication via infographics, videos, eBooks, GIFs etc. ④ Investor Awareness Programmes (IAPs) ④ IE led campaigns on search and display platforms & social media marketing |
|  | Partner Enablement | <ul style="list-style-type: none"> ④ Online empanelment for MFDs ④ UTI Buddy mobile app & website ④ WhatsApp for Business for MFDs ④ Centralised RM to MFD communication ④ UTI Insta Pay for instant pay-out of commission ④ Market Insight initiative |
|  | Assisted Journeys | <ul style="list-style-type: none"> ④ Multi-lingual customer service in 6 languages – Inbound & Outbound ④ Live Chat with agent ④ Request Call-back & SMS services ④ Outbound voice bot ④ Co-browsing services on website |

The growing trend of digitalisation has transformed the way consumers behave. This has encouraged us to develop a methodical client acquisition strategy that has been powered by our digital capabilities, while converting users through a straight-through process or in the form of leads that are then reached through call centres, targeted email and remarketing campaigns etc.

| Capitals Impacted | Stakeholders Impacted |
|-------------------------|-----------------------|
| Financial | Employees |
| Social and Relationship | Customers |
| | Distributors |
| | Communities |





Natural Capital

Committed to Building a Brighter Tomorrow

We aspire to be an organisation that recognises and embraces its environmental obligations. With a comprehensive outlook that prioritises creating sustainable value, we have fostered a culture of accountability and environmental responsibility throughout our organisation. Our efforts to minimise our carbon footprint and take progressive measures towards cultivating an eco-friendly workplace demonstrate our commitment to promoting positive environmental impacts.

Operating Responsibly

At UTI AMC, we aim at developing resilient and holistic business models to help us reverse course on climate change and lead a more sustainable economy with a successful transition to a low-carbon future. We believe in enabling sustainable energy consumption to limit global warming to below 2°C, in line with the collaborative efforts undertaken by the countries and their governments. We have undertaken several steps to minimise emissions, which include wide adoption of digital transaction system, energy efficient appliances and optimum paper utilisation.

The following initiatives highlight our Company’s focus towards the environment.

At Corporate Office



100% Sewage Water Treatment

We have installed a sewage treatment plant with a capacity of 50,000 litres to treat sewage water and make it available for use in air conditioning, gardening, and other secondary purposes. This has led to a significant reduction in our water footprint by the said volume.



Energy Management and Conservation:

The process of installing EV charging stations for employees at the corporate office has begun.



Material Sourcing:

Our newly purchased furniture and carpets have green certificate rating and are manufactured with fully recyclable materials.



Document Management Software:

A digital Document Management System (DMS) named "UTI E-Way" has been adopted to further the aim of transitioning to a paperless office.



Solar Energy:

We are promoting the use of renewable energy and reducing our reliance on conventional sources of energy. We are installing solar panels on the terrace of our corporate office. This project is currently at an advanced stage, with 120 kW of solar power capacity planned. Once completed, this initiative will lead to the elimination of more than 150 tonnes per year of CO₂ emissions and significantly reduce our carbon footprint. Furthermore, we are proud to receive the Green Energy Certificate and reach the milestone of 100% renewable energy at our corporate office.



Minimising E-Waste:

A recycling policy for old computers and laptops has been implemented, and the scrap material of the Company is given to local vendors for recycling.

At UTI Financial Centres



Smart Office Design:

By embracing smart office technology, such as HVAC systems that adjust automatically and motion-sensing light bulbs, we have significantly improved energy efficiency, reduced carbon emissions and lowered operational costs.



Thermography Study:

A thermography study was carried out to demonstrate summer and winter operative temperature changes in occupied spaces. Appropriate measures were taken to improve indoor air quality based on the results.



Changing to LED Bulbs:

We have improved energy efficiency by transitioning to larger or better-designed LED bulbs, improving insulation to reduce heat loss, and monitoring heating through a smart office design.



Monitoring of Water Consumption:

Water consumption has been monitored through metering and flow control devices to identify key areas where improvements can be made, such as the usage of sensor taps at zonal offices and regulating water in washrooms using low-flow sanitary fixtures.



Ergonomic Office Furniture:

A range of equipment has been provided to employees to aid their work and avoid unnecessary stress.



Material Sourcing:

A conscious effort is made to source materials that are both resilient and sustainable, with a focus on those that can be reused or recycled.

| Capitals Impacted | Stakeholders Impacted |
|-------------------------|-----------------------|
| Financial | Employees |
| Intellectual | Communities |
| Social and Relationship | |

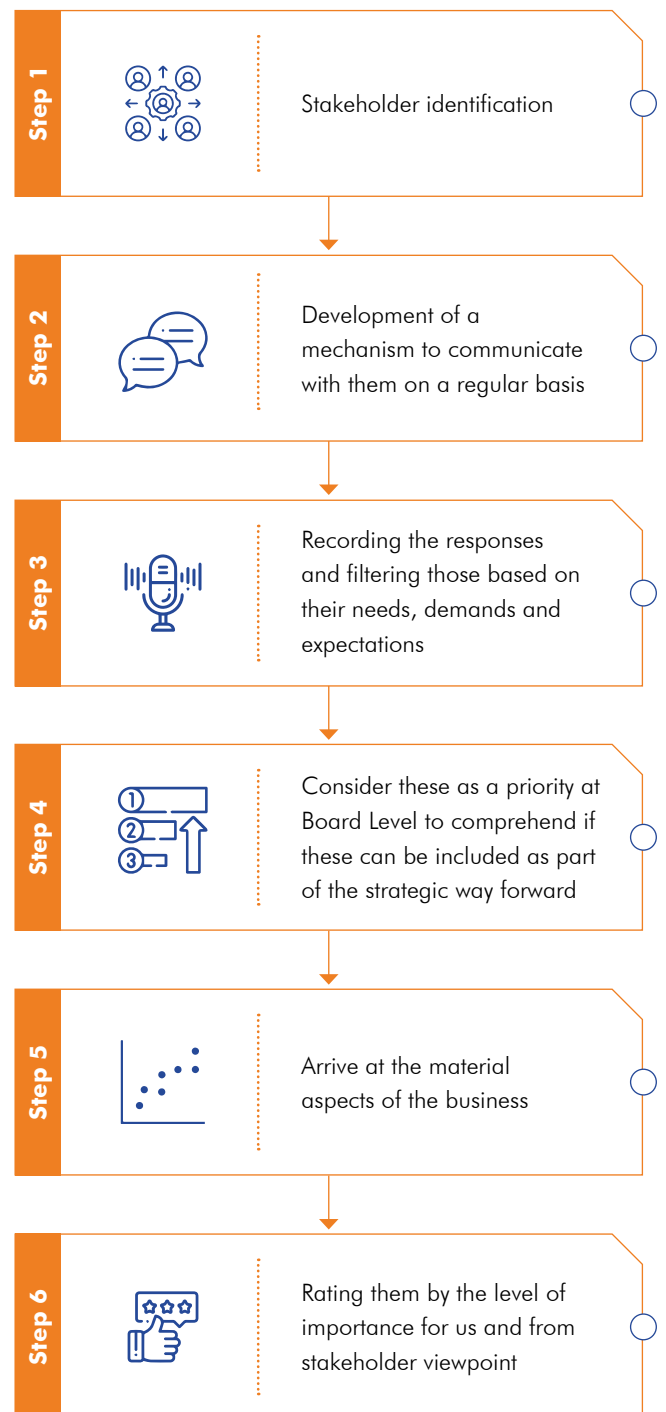


Committed to Prioritising Stakeholder Engagement and Materiality

UTI AMC deeply values the relationships we cultivate with our diverse group of stakeholders, ranging from employees, customers, distributors, communities, and regulators.

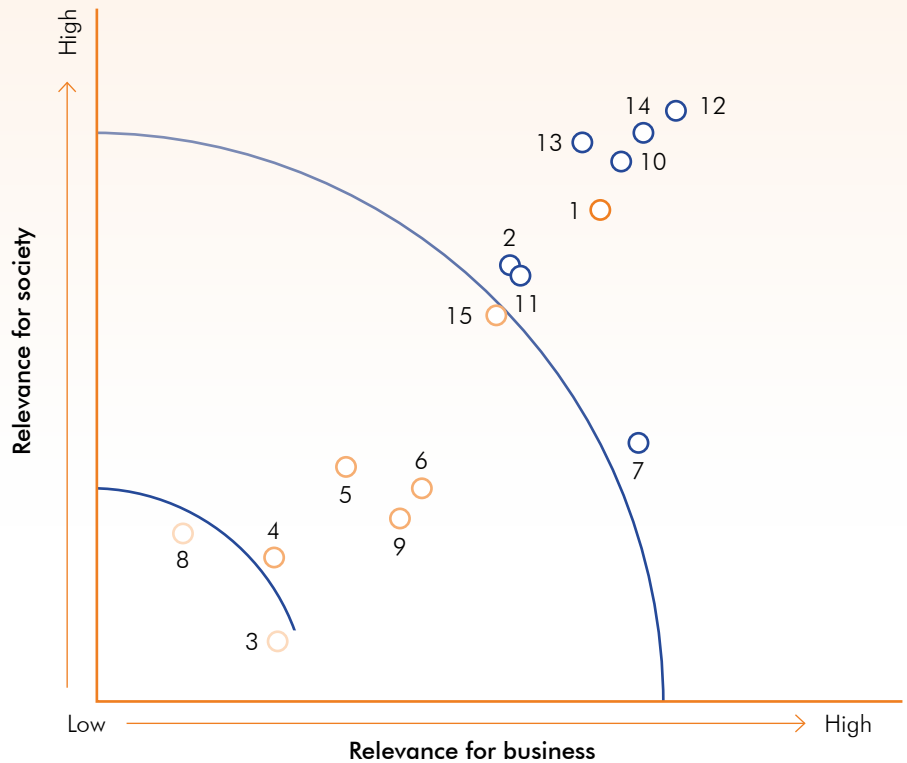
We remain committed to our objective of establishing lasting partnerships that will enable us to deliver value for many years to come. As a result, we regularly engage with our stakeholders to gather deeper insights on the key material issues concerning them. Our efforts towards nurturing our relationships allow us to gain a deeper understanding of the expectations set for us and hence focus our efforts in that direction. Through a carefully designed process, we identify the critical issues that could potentially impact the sustainability of our business during different cycles experienced by our stakeholders. We have implemented robust procedures and protocols to ensure that these stakeholder concerns are effectively resolved. The successful resolution of these issues not only benefit the stakeholders but also leads to the creation of lasting value for the organisation.

UTI AMC through multiple discussion with leadership and employees has identified material topics that our stakeholders consider most important and relevant for the business that drive our core business strengths i.e. technological excellence, operational efficiencies, innovation and system understanding following the steps taken to identify the concerns that matter most to our stakeholders.



The material issues that were identified through various stakeholder engagements are mentioned alongside.

The following identified material topics will gauge UTI's priorities (long-term, medium-term and short-term), generate positive impact on society, minimise risk to the business, reduce cost and generate revenues.




Material ESG Aspect
















- | | |
|--------------------------------|---|
| 1 Responsible Investing | 9 Local Communities |
| 2 Risk Management | 8 Human Rights |
| 3 Waste Management* | 10 Transparency & Disclosures |
| 4 Climate Change* | 11 Economic Performance |
| 5 Occupational Health & Safety | 12 Business Ethics & Values |
| 6 Diversity & Inclusion | 13 Customer Protection |
| 7 Employee Engagement | 14 Data Protection & Information Security |
| | 15 Investor Awareness Programmes/ Financial Literacy |

*Enduring Issues

The materiality assessment will act as a compass on our journey in building a sustainable business, pointing out our priorities clearly. A few insights from the assessment are:

 Short term

 Short term - Medium term

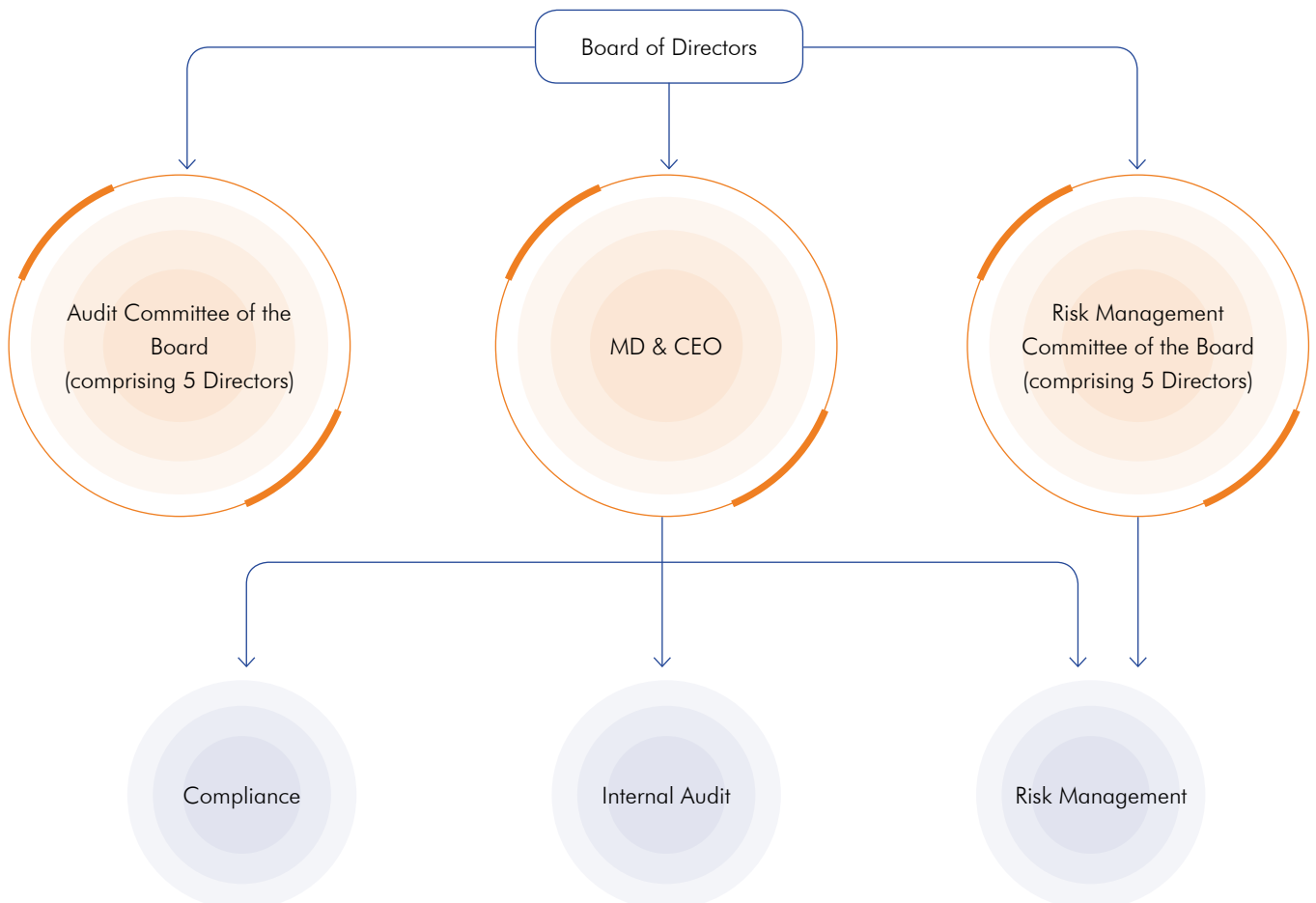
| Material topic | Management Approach | Impact |
|--|---|---|
| Responsible Investing  | Incorporating ESG considerations effectively into investment portfolios by conducting audits to assess the implementation of ESG policies and risk assessment procedures by stakeholders. |  |
| Employee Engagement  | For enhancing productivity and ensuring a company's sustainable growth, it is crucial to have a highly skilled workforce. This can be achieved through training and skill development programmes, grievance mechanisms, and leadership development initiatives. |  |
| Data Protection/ Information Security  | Having robust systems in place to prevent customer data leakage is critical. Failure to comply with existing legal regulations and standards regarding customer privacy protection can result in reputational damage and litigation risks. |  |
| Economic Performance  | For making economic disclosures, organisations are required to use figures obtained from their audited financial statements or internally audited management accounts, whenever feasible. |  |
| Business Ethics and Values  | Encompasses an organisation's values, principles, standards, and behavioural norms, including honesty, moral integrity, truthfulness, codes of conduct, and ethics. |  |
| Risk Management  | Identifying and mitigating risks that could disrupt business operations is becoming increasingly important for organisations. Many now incorporate ESG factors into their Enterprise Risk Management (ERM) process. |  |
| Transparency & Disclosure  | Engaging with all internal and external stakeholders, including government officials and public representatives, fairly and transparently. Additionally, reporting the organisation's ESG performance to investors and other stakeholders. |  |
| Customer Protection  | Failing to manage the transparency, accuracy, and comprehensibility of marketing statements, advertising, and product information brochures/ prospectus can lead to legal issues or complaints. Examples of such issues include those related to ethical and responsible marketing practices, misleading or deceptive information, and advertising standards and regulations. |  |

Driving Success through Capabilities in Risk Management

At UTI AMC, we have implemented procedures and frameworks to ensure a comprehensive approach to managing risks across the entire organisation. These measures have been instrumental in identifying, assessing, reporting, and mitigating potential risks that may arise during the course of our business operations.

We place utmost importance towards ensuring that our internal risk management framework is continuously reviewed and developed to address the existing and emerging risks on a proactive manner. We firmly believe this culture is in best interests for all stakeholders in the long run.

Risk Management Framework



The Company's Risk Management structure includes:



Board of AMC and Trustee

Company: Overseeing approval and monitoring of all strategies & policies.



Risk Management Committee of AMC and Trustee Company:

Examines the overall risk management policies and guidelines, as well as their implementation for both the scheme and company levels.



Department of Risk Management:

Oversees the implementation and control of the Risk Management Framework at both the scheme and company levels.



Equity and Debt Steering

Committee: Reviews fund performance and strategy reports as well as discusses products strategies and market developments.



Investment Committee: Discusses the performance of the funds, top securities transactions, any exception that may have occurred and reviews and approves the changes in Delegation of Power and investment processes.



Department of Internal Audit:

Ensures that the policies, procedures, and processes established by the Board and its Committees are properly executed along with the Department of Compliance and the Department of Risk Management

At UTI AMC, the Risk and Compliance teams proactively review and monitor through calendar; daily, weekly, monthly regulatory/internal submissions. Some of the risks are as follows:



Data Security and Cyber Risks

With the world rapidly progressing towards a digital future, safeguarding against cyber threats remains crucial. Top-tier organisations are taking proactive measures to strengthen their data security to remain insulated from the damaging consequences of cybercrime. At UTI AMC, we are fully committed to reducing and mitigating cyber risks, and our comprehensive approach includes:

- ① Establishing a structured framework to identify, protect, detect, respond, and recover from any risks associated with data security. We have our information and cyber security policies in place and a third party annually reviews its implementation
- ① Overseeing the implementation of the cyber security policy through our Information Security Executive Committee (ISEC) and Technology Advisory Committee
- ① Setting up a Board level Digital Transformation Committee (DTC) where the Board Members meet every quarter to discuss digital strategy
- ① Building a more technologically fluent organisation by raising digital awareness among employees across the organisation. Conducting programmes around cyber-attacks and improving the digital literacy of the organisation

Investment Management Risks (including Market, Credit and Liquidity Risks)

Exposure to various financial instruments in various portfolios managed by us is subject to market risks. Given the volatile nature of financial markets, it is essential for us to safeguard the portfolios from market fluctuations. Credit risk may arise due to the loss in the market value of debt securities caused by credit rating downgrades or defaults in bond issuer payments. Additionally, we also face liquidity risks arising from the possibility of investors withdrawing large amounts of funds within a short timeframe. We have undertaken several measures to ensure we are safeguarded against critical risks, which include:

- ⦿ Establishment of an investment committee comprising MD & CEO, CIO, Head of Fixed Income, Head of Equity and CRO
- ⦿ Appointment of the committee accountable for periodically monitoring investment performance, credit ratings, transactions, exposure limits, and any exceptional business events that may arise, with the objective of shaping investment decisions accordingly
- ⦿ Compliance with Liquidity Risk Management Framework and stress-testing policies.



Operational Risk

It is vital for an organisation to strictly follow rules, regulations, and internal policies to ensure smooth and uninterrupted business operations. To prevent possible breach of rules and unlawful conduct, such as fraud, bribery, or any form of discrimination, the following measures have been implemented:

- ⦿ Allotting a CXO Level Officer and Risk Champion for each department to effectively identify, analyse and manage emerging risks from operational activities
- ⦿ Having detailed Standard Operating Procedure (SOPs) Risk Registers, Risk Control Self-Assessment (RCSA), Mitigation Plans, Control testing frequency in place
- ⦿ Continuous and proactive review of the RCSA process
- ⦿ Outsourcing policy to oversee and ensure the validity and necessity of outsourcing decisions through proper procedures
- ⦿ System based controls for implementing and monitoring internal and regulatory limits
- ⦿ Continuous training and development of employees with regards to regulatory and internal policies
- ⦿ Automation of processes and implementation of tools and mechanisms for regulatory and internal policies/ guidelines compliance
- ⦿ Proactive review of regulatory and internal submissions on a periodic basis



DIRECTORS' REPORT

Dear Members,

We are pleased to present the Directors' Report of UTI Asset Management Company Limited (the Company / UTI AMC) along with the Company's audited financial statements for the financial year (FY) ended 31st March, 2023.

FINANCIAL PERFORMANCE

The financial statements of the Company were prepared in accordance with Section 133 and other applicable provisions of the Companies Act, 2013 (the Act) and the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs. The below table summarizes the Company's financial performance for the financial year ended 31st March, 2023 as compared to the previous financial year:

(₹ in crore)

| Particulars | Standalone | | Consolidated | |
|---|------------------------|------------------------|------------------------|------------------------|
| | As on 31st March, 2023 | As on 31st March, 2022 | As on 31st March, 2023 | As on 31st March, 2022 |
| Revenue from operation | 1,091.57 | 1,059.63 | 1,266.86 | 1,319.08 |
| Other Income | 9.39 | 0.64 | 23.23 | 8.19 |
| Total Income | 1,100.96 | 1,060.27 | 1,290.09 | 1,327.27 |
| Employee Benefit Expenses | 357.28 | 362.47 | 414.53 | 406.71 |
| Other Expenses | 189.85 | 171.54 | 289.94 | 260.38 |
| Total Expenses | 547.13 | 534.01 | 704.47 | 667.09 |
| Profit before tax expense | 553.83 | 526.26 | 585.62 | 660.18 |
| Less: Tax expense (current & deferred) | 129.4 | 108.48 | 145.94 | 125.59 |
| Profit after tax | 424.43 | 417.78 | 439.68 | 534.59 |
| Add / less: Other comprehensive income (Net of tax) | 7.44 | 3.78 | 7.53 | 3.80 |
| Total comprehensive income | 431.87 | 421.56 | 447.21 | 538.39 |
| Balance of retained earnings carried to balance sheet | 3,013.94 | 2,855.69 | 3,380.09 | 3,208.78 |
| Paid-up capital | 126.98 | 126.95 | 126.98 | 126.95 |
| Net worth | 3,348.27 | 3,160.45 | 3,867.84 | 3,620.17 |

SHARE CAPITAL

The authorized share capital of the Company is ₹2,00,00,00,000 (20,00,00,000 equity shares of face value of ₹10 each) and there was no change therein during the FY 2022-23.

As on 31st March, 2023, the issued, subscribed and paid-up equity share capital of the Company stood at ₹1,26,98,36,950 (comprising of 12,69,83,695 equity shares of the face value of ₹10 each) as against ₹1,26,94,90,410 (comprising of 12,69,49,041 equity shares of the face value of ₹10 each) at the end of the previous FY 2021-22. The increase in the paid up equity share capital is on account of allotment of 34,654 equity shares to the eligible employees who had exercised the stock options under the 'UTI AMC Employee Stock Option Scheme-2007' (the ESOP Scheme 2007).

The listed equity share capital of the Company as on 31st March, 2023 is ₹1,26,98,25,260 (comprising of 12,69,82,526 equity shares of the face value of ₹10 each). The difference between the paid up equity share capital and the listed equity share capital of ₹11,690 was due to the pending listing of 1,169 equity shares allotted under the ESOP Scheme 2007 on 16th March, 2023. National Stock Exchange of India Limited and BSE Limited have, *vide* their letters dated 3rd April, 2023, listed and admitted the aforesaid equity shares of the Company for trading with effect from 5th April, 2023.

DIVIDEND

The Board of Directors of the Company (the Board) has recommended a final dividend of ₹22 per equity share (220%) of face value of ₹10 each for the FY 2022-23.

The Board has recommended the final dividend equivalent to 65.82% of the profit after tax of the Company.

The Dividend Distribution Policy of the Company is annexed as **Annexure-I** to this Directors' Report and the same is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

DIRECTORS' REPORT (Contd.)

The final dividend shall be paid, subject to the approval of members at the 20th Annual General Meeting (AGM) of the Company to be held on Tuesday, the 25th July, 2023, to those members:

- a. whose name appears in the statement of beneficial owners to be furnished by the Depositories in respect of the shares held in electronic form as at the end of business hours on Tuesday, the 18th July, 2023; and
- b. whose name appears as member in the Company's register of members maintained by the Registrar and Share Transfer agent of the Company on Tuesday, the 18th July, 2023.

Pursuant to Section 91 of the Act and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), the register of members and share transfer books of the Company shall remain closed from Wednesday, the 19th July, 2023 to Tuesday, the 25th July, 2023, (both days inclusive) for determining the entitlement of members for dividend, if declared for the FY 2022-23.

The Company has not declared any interim dividend to the members of the Company during the FY 2022-23.

BUSINESS OPERATIONS / PERFORMANCE OF SUBSIDIARIES

As on 31st March, 2023, the Company had 4 (four) direct subsidiaries and 4 (four) step-down subsidiaries. The business operations and performance of subsidiaries are as under:

UTI International Limited:

UTI International Limited (UTI International) was incorporated as the Limited Liability Company under the laws of Guernsey on 30th January, 1996, pursuant to an Act of the Royal Court of the Guernsey Island. UTI International is engaged in the investment management of equity and debt funds as authorized by its Memorandum of Incorporation.

UTI International looks after the administration and marketing of offshore funds. UTI International is responsible for developing new products and new business opportunities for UTI group offshore activities. UTI International's investor base includes insurance companies, pension funds, family offices and other financial institutions across Europe, Asia and the Middle East. UTI International has 4 (four) subsidiaries - UTI Investment Management Company (Mauritius) Limited, UTI International (Singapore) Private Limited, UTI International (France) SAS and UTI Investments America Limited.

The consolidated total income of UTI International for FY 2022-23 was GBP 94,63,720 as compared to GBP 1,83,21,165 for the previous FY 2021-22 and consolidated net loss for FY 2022-23 was GBP 32,91,807 as compared to consolidated net profit of GBP 75,15,534 in the previous FY 2021-22.

As of 31st March, 2023, UTI International had total 25 funds with an Asset under Management (AUM) of USD 2.64 billion.

UTI Retirement Solutions Limited:

UTI Retirement Solutions Limited (UTI RSL) was incorporated on 14th December, 2007 under the Companies Act, 1956. UTI RSL manages the pension funds under National Pension System (NPS). UTI RSL is engaged in carrying out the operations as pension fund manager under the regulatory framework of Pension Fund Regulatory and Development Authority (PFRDA) and the Board of Trustees of the NPS Trust.

UTI RSL has registered a strong growth in terms of AUM, revenue and net profit after tax during the FY 2022-23.

The total income of UTI RSL for the FY 2022-23 was ₹106.87 crore as compared to ₹93.82 crore for the previous FY 2021-22. The revenue on account of Investment Management Fee (IMF) has grown by 11.10% during FY 2022-23 from ₹91.39 crore to ₹101.53 crore.

UTI RSL's net profit after tax has grown to ₹46.47 crore for the FY 2022-23 against the net profit after tax of ₹42.34 crore for the FY 2021-22, registering a growth of 9.75%.

UTI RSL was awarded the 'Best Pension Fund Manager of the Year' by Asia Asset Management - Best of the Best Awards for the Year 2023. This is the sixth consecutive year that UTI RSL has received this award.

UTI RSL has also received the award for the 'Best Transformation of the year' for IT Infrastructure setup, at the CIO Summit 2023 hosted by Empiric Business Media.

UTI Capital Private Limited:

UTI Capital Private Limited (UTI CPL) was incorporated on 13th May, 2011, under the Companies Act, 1956. It is engaged in the business of managing alternate investment funds.

The total income of UTI CPL was ₹11.91 crore for the FY 2022-23 as compared to ₹7.68 crore for the previous FY 2021-22. The net loss was recorded at ₹3.29 crore for the FY 2022-23 as against net loss of ₹2.21 crore for the previous FY 2021-22.

UTI CPL has following funds:

- a. *UTI Structured Debt Opportunities Fund I (UTI SDOF I)*, a ₹695.9 crore private credit fund. As on 31st March, 2023, UTI SDOF I had completed 9 exits out of 11 investments and the fund had returned ~108% of the total funds raised from investors in the form of capital, interest and capital gains.
- b. *UTI Structured Debt Opportunities Fund II (UTI SDOF II)*, a ₹506.6 crore private credit fund, which had a final close on 31st May, 2022. As on 31st March, 2023, amount drawn down from investors was ₹223.6 crores and outstanding investments aggregating ₹196 crores in six portfolio companies.
- c. *UTI Structured Debt Opportunities Fund III (UTI SDOF III)*, a ₹300.7 crore private credit fund, which had a first close on 30th September, 2022. As on 31st March, 2023, amount drawn down from investors was ₹78.4 crores and outstanding investments aggregating ₹33 crores in two portfolio companies.

DIRECTORS' REPORT (Contd.)

- d. *UTI Multi Opportunities Fund I (UTI MOF I)*, a ₹763 crore fund, which had a first close on 31st March, 2022. As on 31st March, 2023, amount drawn down from investors was ₹168.5 crores and outstanding investments aggregating ₹143 crores in six portfolio companies.

UTI Venture Funds Management Company Private Limited:

UTI Venture Funds Management Company Private Limited (UTI VF) was incorporated on 27th March, 2001 under the Companies Act, 1956. The principal business of UTI VF is to manage venture capital funds and private equity funds.

The gross income of UTI VF was ₹1.25 crore for the FY 2022-23 as against ₹2.23 crore in the previous FY 2021-22. It clocked a net profit of ₹0.85 crore for the FY 2022-23 as against ₹0.89 crore for the previous FY 2021-22.

The audited financial statements of subsidiaries, together with the directors' report and auditor's report, for the period ended 31st March, 2023 are part of this Annual Report.

As a good corporate governance practice and in order to ensure effective monitoring of operations & performance of

subsidiaries, atleast one independent director of UTI AMC has been appointed as director on the Board of UTI International, UTI RSL and UTI CPL.

All subsidiaries continued to be the subsidiary of the Company during the FY 2022-23. UTI Investments America Limited was incorporated on 7th November, 2022 as the subsidiary of UTI International.

The audited financial statements including the consolidated financial statements of the Company forms part of this Annual Report and are available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/results/>.

The financial statements of subsidiaries are also available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/subsidiaries-financials/>.

The Company has a 'Policy for determining material subsidiary' and is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

As on 31st March, 2023, the Company has only 1 (one) material subsidiary which is UTI International. The Company has no unlisted Indian material subsidiary.

OVERVIEW OF OPERATIONS OF THE GROUP

The Company believes that its track record of product innovation, consistency and stable investment performance contributed to the growth of its AUM. The overview of operations of the group is as under:

| Particulars | (₹ in crore) | | |
|--|---------------------------|---------------------------|----------------|
| | As on 31st March, 2023 | As on 31st March, 2022 | % of change |
| UTI Mutual Fund (UTI MF) | | | |
| Quarterly Average Assets Under Management (QAAUM) of UTI MF ⁽¹⁾ | 2,38,791 | 2,23,842 | 6.68 |
| QAAUM for equity schemes | 70,494 | 69,287 | 1.74 |
| QAAUM for ETFs and index funds | 82,871 | 62,447 | 32.71 |
| QAAUM for hybrid funds | 24,101 | 26,444 | (8.9) |
| QAAUM for the liquid funds (UTI Liquid Cash Plan and UTI Overnight Fund) | 38,182 | 36,936 | 3.37 |
| QAAUM of debt funds ⁽²⁾ | 23,144 | 28,727 | (19.4) |
| Portfolio Management Services (PMS) division of UTI AMC | | | |
| AUM ⁽³⁾ | 10,53,085 | 8,93,082 | 17.92 |
| Subsidiaries | | | |
| AUM of UTI International | 21,703 | 28,974 | (25.10) |
| AUM of UTI RSL | 2,40,709 | 2,01,919 | 19.21 |
| AUM of UTI CPL | 1,707 | 1,088 | 56.89 |

Notes:

- (1) The market share of UTI MF also grew from 5.83% to 5.89% on QAAUM basis;
- (2) Reduction in QAAUM of debt funds was due to maturity of 28 closed-ended funds; and
- (3) Positive growth was mainly due to inflows mandates from EPFO, PLI, ESIC & CMPFO accounts and advisory business.

SCHEMES LAUNCHED DURING THE YEAR

UTI MF has launched 12 funds during the FY 2022-23 under different equity, debt and ETF category and successfully mobilised a total AUM of ₹1,142 crore.

DIRECTORS' REPORT (Contd.)

CHANGES IN FUNDAMENTAL ATTRIBUTES OF SCHEMES

The changes made to the fundamental attributes of schemes during the FY 2022-23 are as under:

- a. **Merger of schemes:** There were merger of 17 debt schemes under fixed term maturity plans into 4 schemes;
- b. **Change in asset allocation pattern:** There was a change in asset allocation pattern of UTI-Fixed Income Interval Fund-Annual Interval Plan I and UTI-Fixed Income Interval Fund-Annual Interval Plan III; and
- c. Enabling provision for creation of segregated portfolio in the surviving schemes post-merger.

TRANSFER TO RESERVES

During the FY 2022-23, no amount was transferred to the general reserves of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans given, investments made, guarantees given and securities provided, if any, covered under Section 186 of the Act are disclosed under Note No. 6, 7 and 8 to the standalone financial statements for the FY 2022-23.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

In accordance with the provisions of Section 177 and Section 188 of the Act read with rules made thereunder and Regulation 23 of the SEBI Listing Regulations read with circulars and notification issued thereon, the Company has a 'Policy on materiality of related party transactions and dealing with related party transactions'. The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

During the FY 2022-23, the Company has entered into transactions with related parties, as defined under Section 2(76) of the Act read with Companies (Specification of Definitions Details) Rules, 2014 and applicable Accounting Standards, which were in ordinary course of business and on arm's length basis.

The Independent Directors of the Audit Committee have reviewed and approved all the related party transactions executed during the FY 2022-23.

The Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy, the Act and the SEBI Listing Regulations. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) and Section 188 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in form AOC-2 is not applicable.

However, detailed disclosure on related party transactions as per Ind AS 24 *inter-alia* containing name of the related party and details of the transactions entered into with such related party are disclosed in Note No. 30 of the standalone financial statements for the FY 2022-23.

DEPOSITS

During the FY 2022-23, the Company has not accepted any deposit under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

AUDITORS

Statutory Auditor

The statutory auditor of the Company is M/s. B S R & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W-100022). The Auditor's Report on financial statements for the FY 2022-23 forms part of this Annual Report.

Secretarial Auditor

The secretarial auditor of the Company is Vishal N. Manseta, Practising Company Secretary (Membership No.: ACS 25183 and CP No. 8981).

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report of the Company issued by Vishal N. Manseta for the FY 2022-23 is annexed as **Annexure-II** to this Directors' Report.

There was no qualification, reservation or adverse comment or disclaimer made by the aforesaid auditors in their respective audit reports.

There was no instance of any fraud which is required to be reported to the Audit Committee or the Board by the statutory auditor or secretarial auditor pursuant to Section 143(12) of the Act.

Internal Auditor

The internal auditor of the Company is M/s. Aneja Associates (Firm Reg. No. 100404W).

Auditor for the scheme of UTI MF

The statutory auditor for schemes of UTI MF is M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Reg. No. 301003E/E300005) in accordance with the provisions of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 read with circulars and notification issued thereon.

SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India, during the FY 2022-23.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements of the Company.

The Company has adopted accounting policies which are in line with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006, that continue to apply under Section 133 and other applicable provisions, if any, of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent applicable. The aforesaid policies are in accordance with Generally Accepted

DIRECTORS' REPORT (Contd.)

Accounting Principle in India (Indian GAAP). There is no change in the accounting policies during the FY 2022-23.

The statutory auditor of the Company has reviewed the internal financial controls of the Company and confirmed that *"the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31st March, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")."*

The accounting policies also ensures that uniform accounting treatment is followed by the Company and its subsidiaries. The accounts of subsidiaries are audited by their respective statutory auditor for consolidation.

The Company maintains its books of accounts in SAP (an Enterprise Resource Planning [ERP] system) and has many of its accounting records stored in electronic form, which is backed up periodically. This ERP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of accounts. The Company has implemented rigid and automated processes to ensure accurate and timely updation of various master data, audit trail *etc.* in the ERP system.

Pursuant to the Environment, Social and Governance (ESG) initiative, the Company had implemented paperless approval system. All internal approvals are obtained digitally through the Document Management System. All the payments for invoices are processed through this system and each employee has a separate login access.

The Company, while preparing its financial statements, makes judgements and estimates based on sound accounting policies and uses external agencies to verify / validate them as and when appropriate. The basis of such judgements and estimates were also reviewed by the statutory auditor and the Audit Committee.

The Audit Committee and Board reviews the financial performance of the Company on quarterly basis.

HUMAN RESOURCES

The Company believes that its employees play a vital role in building a successful organization. It believes that nurturing people's capability is the core behind driving business excellence. The Company is committed to maintaining an environment that values the contributions of its people and provides opportunities for their personal and professional growth.

The employees, while performing their duty, deal with various stakeholders *viz.* clients, other employees, distributors and investors, among others, in a respectful manner. The employees duly comply with / adhere to the Company's Rules, Code of Conduct and any violation in the same is appropriately addressed. The Company demonstrates a commitment to a culture that promotes the highest ethical standards. The employer employee relation continued to be healthy, cordial and progressive.

Some key focus areas and initiatives taken up during the FY 2022-23 are as under:

- Leaderships roles were re-structured in many functions so as to re-align the roles and responsibilities of senior team members and provide opportunities for growth;
- The digital marketing team was further strengthened;
- Few of the senior management team were sent for management development programmes;
- Planned awareness building and on-going learning sessions for the entire organization on statutory compliances; and
- High standard of ethics and strict compliance was maintained in reporting of investment transactions by employees.

At UTI AMC, the talent pool is a prudent mix of all age groups, bringing experience and youthfulness together. This has been pivotal in keeping the Company agile, while being firmly rooted in its legacy of 60+ years. The Company strongly believes that its continuing business excellence is a direct product of how it nurtures the talent and keep them future ready to remain relevant in the changing business scenario. 216 new hirings were completed during the FY 2022-23 catering to human resource requirements of diverse functions within UTI AMC. The Company have a multi generation workforce as under:

| Generation | Number of Employees - Overall | % of Employees- Overall |
|--------------|-------------------------------|-------------------------|
| Baby Boomers | 39 | 2.97 |
| Gen X | 761 | 57.91 |
| Gen Y | 345 | 26.26 |
| Gen Z | 169 | 12.86 |
| Total | 1,314 | 100.00 |

UTI AMC cultural ethos are as under:

- A safe working environment free from sexual harassment and discrimination;
- Challenging work assignments and opportunities are provided based on meritocracy; and
- Strict adherence to the Company's rules, code of conduct and above all, ethical standards.

Learning & Development

With a strong focus on role specific learning plan and in order to ensure effective use of blended learning methods, UTI AMC's learning & development team partners with business leaders and managers to focus on developing employees and carving leaders out of its own employees. Specific programs are planned so as to ensure one builds expertise in her / his own chosen career. The Company has been focusing on different ways of enhancing knowledge of employees within the Company by arranging training session, interactions, reading materials, research reports *etc.* UTI AMC also have in place an Educational Assistance Policy enabling employees to take up higher professional studies.

DIRECTORS' REPORT (Contd.)

Conviction

The Company has a stronger focus on meritocracy, change management, increasing efficiencies and building an efficient organization. The Company will continue to attract, develop and retain talent to help shape a better, young and vibrant Company that fosters employee engagement, productivity and motivation. UTI AMC aims to develop a culture that gives opportunity to the employees to develop their leadership capabilities.

Particulars of Employees

The total number of employees of the Company as on 31st March, 2023 stood at 1,314 employees. The employee benefit expenses on standalone basis for the FY 2022-23 stood at ₹357.28 crore as compared to ₹362.47 crore for the FY 2021-22.

Information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Directors' Report.

In terms of provisions of Section 136 of the Act, the Annual Report is being sent to members excluding aforementioned information. Such information will be available on the Company's website at www.utimf.com.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with Section 177 of the Act read with Rule 7 of the Companies (Meeting of Board and its Power) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has a 'Whistle Blower Policy' to supplement the Codes of Ethics, Staff Rules, Anti-Bribery Policy and Anti-Fraud Policy of the Company.

The details related to vigil mechanism / whistle blower policy are provided in the Corporate Governance Report forming part of this Annual Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a 'Policy on prevention of sexual harassment of women at workplace' which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy aims to create an environment at every workplace which is free from sexual harassment and to provide safeguards against false or malicious charges. The Policy has been rigidly implemented within the Company.

The Company has constituted an Internal Complaints Committee (ICC) to enquire into the cases of sexual harassment at offices / UTI Financial Centres across India.

The Company also conducts the awareness programmes on prevention of sexual harassment on regular basis.

The Company has not received any harassment complaint during the FY 2022-23 and no complaint was pending at the end of the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Composition of Board

The Board comprises of 10 (ten) directors, consisting of 6 (six) Independent Directors [including 2 (two) Independent Women

Directors], 3 (three) Non-Executive Nominee Directors and 1 (one) Managing Director. The Chairman of the Company is a Non-Executive Independent Director.

Mr. Flemming Madsen (DIN: 02904543) (nominee of T. Rowe Price International Ltd) retired by rotation at the 19th AGM of the Company and the members had appointed him as a Nominee Director (Non-Executive Category) of the Company with effect from 26th July, 2022, liable to retire by rotation.

Mr. Imtaiyazur Rahman (DIN: 01818725) was appointed as the Chief Executive Officer (CEO) of the Company with effect from 13th June, 2020. The members had, at the 19th AGM of the Company approved the appointment of Mr. Rahman as Managing Director from 26th July, 2022 to 12th June, 2024, not liable to retire by rotation and he had discontinued as Whole-Time Director with effect from 25th July, 2022. Accordingly, Mr. Rahman was re-designated as the Managing Director & CEO of the Company.

Mr. Sanjay Varshneya (DIN: 08161701) (nominee of Punjab National Bank) resigned from the Board of the Company with effect from 26th July, 2022. The Board commended the valuable contributions made by Mr. Varshneya during his tenure on the Board of the Company.

The Board had appointed Mr. Kiran Kumar Taranika (DIN: 09637366) (nominee of Punjab National Bank) as an Additional Director (Nominee Non-Executive Category) with effect from 26th July, 2022. Subsequently, the members had, through postal ballot passed on 12th October, 2022, approved the appointment of Mr. Taranika as Non-Executive Nominee Director, liable to retire by rotation.

Pursuant to Section 152 of the Act, Mr. Kiran Kumar Taranika (DIN: 09637366) is liable to retire by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment as Non-Executive Nominee Director.

The Board had, based on the recommendation of Nomination and Remuneration Committee, approved the appointment of Mr. Srivatsa Desikamani (DIN: 10193489) (nominee of T. Rowe Price International Ltd) as an Additional Director (Non-Executive Nominee Category) with effect from 9th June, 2023 and he shall hold office up to the date of the 20th AGM.

The necessary resolutions for appointment of Mr. Taranika and re-appointment of Mr. Desikamani including their brief profile and other related information have been included in the Notice of the 20th AGM.

All the directors of the Company have confirmed that they are not disqualified from being appointed as director pursuant to Section 164 of the Act. A certificate that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report forming part of this Annual Report.



DIRECTORS' REPORT (Contd.)

Key Managerial Personnel

As on 31st March, 2023, the Company has 3 (three) Key Managerial Personnel (KMP) in terms of Section 2(51) and Section 203 of the Act as mentioned below:

- Mr. Imtaiyazur Rahman, Managing Director & Chief Executive Officer;
- Mr. Surojit Saha, Chief Financial Officer; and
- Mr. Arvind Patkar, Company Secretary & Compliance Officer.

DECLARATION OF INDEPENDENCE

The Board hereby confirms that pursuant to the provisions of Section 149(6) of the Act, all independent directors have submitted a declaration of independence to the Company, wherein they have confirmed that they meet the criteria of independence as laid down under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Based on the declarations received from the independent directors, the Board is of the opinion that the independent directors fulfil the criteria of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management.

All independent directors of the Company are registered in the databank of independent directors' in compliance with the provisions of Section 150 of the Act and Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

The independent directors have also complied with the provisions of Rule 6(4) of Companies (Appointment and Qualifications of Directors) Rules, 2014 relating to online proficiency self-assessment test.

The terms and conditions formulated by the Company for appointment of independent directors is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

NUMBER OF BOARD MEETINGS

11 meetings of Board were conducted during the FY 2022-23 on the following dates:

26th April, 2022, 26th May, 2022, 20th June, 2022, 21st June, 2022, 26th July, 2022, 20th October, 2022, 18th November, 2022, 14th December, 2022, 20th January, 2023, 1st February, 2023 and 21st March, 2023.

In addition to the above, a joint meeting of Board of UTI AMC and UTI Trustee Company Private Limited (Trustees of UTI MF) was held on 20th October, 2022.

In compliance with the provisions of the Act read with the rules and circulars issued thereunder, the SEBI Listing Regulations and Secretarial Standard on Meetings of Board of Directors issued by Institute of Company Secretaries of India (SS-1), the maximum interval between any two meetings of the Board did not exceed 120 days.

The details of composition of the Board and its Committees and details of the meetings held during the FY 2022-23 along with the attendance of the directors therein are disclosed in the Corporate Governance Report forming part of this Annual Report.

NOMINATION & REMUNERATION POLICY

Pursuant to Section 178 of the Act and Regulation 19(4) of the SEBI Listing Regulations, the Company has a 'Nomination & Remuneration Policy' which aims to lay down a framework in relation to nomination and remuneration of directors, KMPs, senior management personnel and other employees.

The details of remuneration paid to executive director and sitting fees paid to non-executive directors have been included in the Corporate Governance report forming part of this Annual Report.

The criteria of making payments to non-executive directors has been included in the Nomination & Remuneration Policy and the said policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

AUDIT & SYSTEMS

The Company believes that internal audit control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. The Company is committed to ensure an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

The Company has a well established and robust internal audit process, both at business and corporate levels, which continuously monitors the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

DATA PROTECTION AND CYBER SECURITY

The Company recognizes the importance of collection, use and security of user's information collected through various sources. The Company has a 'Policy on Privacy and Security of Information' which defines the rights of the Company / user to use, secure or restrict personal and confidential information of the investors. The Company is committed to secure investor's personal identifiable information and has implemented processes and technologies to secure the same.

The Company had adopted ISO 27001 standard and implemented the best practices for information security in the organization. The information security framework, policy and processes of the Company are aligned to ISO 27001. The information security objectives are aligned with business objectives with highly resilient business continuity infrastructure and processes. The Company conducts periodic drills to test the infrastructure capabilities to continue the business during any disaster.



DIRECTORS' REPORT (Contd.)

Periodic audits were conducted internally as well as through external firms to ensure data security and to conduct the review of Cyber Security & Cyber Resilience Framework and System Audit in compliance with SEBI guidelines.

CORPORATE SOCIAL RESPONSIBILITY

The Company believes in a philosophy of compassion, care and generosity characterized by a willingness to build a society that works for everyone. The Company gives utmost importance to its Corporate Social Responsibility (CSR) initiatives in order to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. The Company strives to integrate its values and business operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

The Company has a 'Corporate Social Responsibility Policy' in compliance with the requirements of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) read with circulars and notification issued thereon, which *inter-alia* lays down the CSR Operational Framework, roles and responsibilities of the Board relating to CSR, manner of implementation and monitoring of CSR activities.

The Company has a Board-level CSR Committee and the details of its composition, terms of reference, number of meetings and attendance have been disclosed in the Corporate Governance Report forming part of this Annual Report. The Company also has a management-level CSR Committee to deal with all operational aspects related to CSR in accordance with the framework prescribed in the Policy and the guidance of the CSR Committee of the Board.

Pursuant to the CSR Rules, the Chief Financial Officer of the Company has certified that the funds disbursed as per the annual action plan for the FY 2022-23 have been utilised for the purpose and in the manner as approved / modified by the CSR Committee and Board.

The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

The Annual Report on the Company's CSR activities for FY 2022-23 is annexed as **Annexure-III** to this Directors' Report.

RISK MANAGEMENT

The Company has established processes and systems to ensure robust enterprise-wide risk management framework. The Risk Management Committee and Board periodically reviews the Company's risk management policies, procedures and processes which include the delegation of investment and financial responsibilities, the establishment of prudential investment norms, the approval & dissemination of guidelines and restrictions, as well as the establishment of counter-party limits. The Board also reviews the performance of funds against the relevant benchmark and competing funds.

The Company's risk management framework includes:

- 1. Risk Management Committee:** A Board-level Risk Management Committee of the Company and of UTI Trustee Company Private Limited have been constituted to *inter-alia* review the overall risk management policies, guidelines and implementation thereof. The meetings of said committees are held on quarterly basis.
- 2. Equity and Debt Steering Committee:** Meetings of equity steering committee and debt steering committee are held on a regular basis to review fund performance and strategy reports as well as to discuss products strategies and market developments.
- 3. Department of Risk Management:** The Department of Risk Management reviews the implementation and governance of risk management framework at the scheme level and at the Company level. The department regularly reviews the portfolio risks, conducts performance attribution of funds *vis-à-vis* their respective benchmarks and competing funds, tracks the adherence of portfolio characteristics to the respective scheme mandates and computes various portfolio analytics to judge the risk and return indicators over a period of time.
- 4. Investment Committee:** Investment Committee meets on a monthly basis to review, among other things, the performance of the funds, top securities transactions and exceptions, if any, to regulatory / internal investment norms or limits.
- 5. Executive Risk Management Committee:** Executive Risk Management Committee, consisting of functional heads, meets on quarterly basis to review the risk management policy, Risk Control Self-Assessment (RCSA) framework, risk appetite framework, crisis management, risk incidents and various other operational risk indicators.
- 6. Department of Internal Audit:** The Department of Internal Audit, together with the Investment Committee and the Department of Risk Management, ensures that the policies, procedures and processes laid down by the Board and the Risk Management Committee are effectively implemented.

Effective risk management is critical to the operation of the Company's business. The Company has adopted various policies and procedures to manage the risks applicable to its business operations, *inter-alia*, including:

- 1. Investment risk:** The Company's funds are exposed to underperformance risk with respect to both the relevant benchmarks and competing funds due to investment related risks, which include market risks and credit risks. The measures taken to address and mitigate such risks including prudential investment limits, well-documented investment policies and procedures (regarding the delegation of powers, research methodologies, risk evaluation framework and brokers empanelment policy), sophisticated market information tools, a dedicated securities research team, experienced fund managers and a regular performance reporting and review mechanism.



DIRECTORS' REPORT (Contd.)

- 2. Liquidity risk:** Liquidity risk mainly arises in respect of open-ended funds, which typically allow investors to redeem their units at any time. If a significant number of investors opt for redemption from a particular fund at the same time, the fund may face liquidity risk. The risk is particularly high in respect of income funds, considering the low level of debt securities actively traded in Indian markets and the high concentration of investors in selected funds. The measures taken to address and mitigate liquidity risk include reviewing its portfolio positions in light of average trading volumes and historical redemption of funds, maintenance of liquid assets, regularly reviewing illiquid equity positions, observing concentration limits for single positions, issuers and sectors, and prudential issuer and sector norms, with a high proportion of the fixed income investments of the relevant funds in highly rated fixed income securities and with a line of credit available to address the liquidity shortfalls.
- 3. Operational risk:** This is the risk of loss from inadequate or failed internal processes and systems or from external events including errors done by employees, improper documentation of transactions, failure of operational and information security procedures, computer systems, software or other equipment and business interruptions. The measures taken to address and mitigate operational risk include concurrent audit system for dealing and Net Asset Value (NAV) computation and an outsourced internal audit function, a straight-through investment processing system, isolating and monitoring the dealing room, service level agreements with third party vendors, conducting disaster recovery drills at least twice a year, Information Security Policies along with its review by an independent auditor, separating front-office and back-office functions, an effective investor grievance redressal mechanism, periodic training of the sales team and insurance coverage *etc.* In addition to the above, the Company has implemented RCSA framework to identify and control the relevant operational risks as per the SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder.
- 4. Market risk:** This risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as equity prices, interest rates, exchange rates or other asset prices, higher

volatility of funds or returns as compared to benchmark or competing funds. The measures taken to address and mitigate market risk include implementing investment guidelines and position limits in terms of individual stocks, sectors and industries, having experienced fund managers closely monitoring investments and positions as well as measuring risk-adjusted performance.

- 5. Credit risk:** This is the risk of loss in market value of debt securities due to downgrading by credit rating agencies or default in payment by issuers. The measures taken to address and mitigate credit risk include internal position limits, establishing counterparty exposure limits, early warning system, in-house research team, product positioning and placing restrictions on investments in unrated or low-rated debt securities.
- 6. Regulatory risk:** The Company is highly regulated and it may be impacted by new laws, rules and regulations or changes in existing ones, affecting its ability to operate. The measures taken to address and mitigate regulatory risk include following regulatory guidelines, systematic controls in respect of regulatory limits, dedicated Secretarial and Compliance Department, monthly compliance audits and review by the Board of the Company and UTI Trustee Company Private Limited.

BOARD EVALUATION

The Company has a 'Policy for Evaluation of Performance of the Board of Directors' in accordance with the provisions of the Act and the SEBI Listing Regulations. The Policy aims to formulate the procedures and prescribes the criteria to evaluate the performance of the entire Board, its Committees and individual directors as well as to assess and enhance the effectiveness of the Board as a whole.

The Company had engaged an external consultant to conduct Board evaluation for the FY 2022-23. The performance evaluation was conducted in line with the provisions of the Policy for evaluation of performance of the Board of Directors, the Act, the SEBI Listing Regulations and Guidance Note on Board Evaluation dated 5th January, 2017 issued by SEBI.

The details on evaluation of performance of Board, its Committees and individual directors are disclosed in the Corporate Governance Report forming part of this Annual Report.



DIRECTORS' REPORT (Contd.)

EMPLOYEE STOCK OPTION SCHEME

The Company has an employee stock option scheme called 'UTI AMC Employee Stock Option Scheme-2007' (ESOP Scheme 2007). The details of ESOP Scheme 2007 are as follows:

| Particulars | Total |
|--|--------------|
| Options granted | 89,03,828 |
| Options vested (excluding options that have been exercised) | 45,75,572 |
| Options exercised | 15,19,009 |
| Total number of equity shares that would arise as a result of full exercise of options granted (net of cancelled / forfeited / lapsed options) | 51,65,152 |
| Options forfeited / lapsed / cancelled | 37,38,676 |
| Money realised by exercise of options (in ₹) | 40,97,43,368 |
| Total number of options in force | 36,46,143 |
| Variation in terms of options | - |

The details of stock options granted during the last three financial years to the employees of the Company and few employees of the subsidiaries are as under:

| Sr. No. | Date of grant | No. of options granted | Face Value (in ₹) | Exercise Price (in ₹) |
|------------------------------|----------------------|------------------------|-------------------|-----------------------|
| During the FY 2020-21 | | | | |
| 1. | Nil | | | |
| During the FY 2021-22 | | | | |
| 2. | 28th July, 2021 | 8,61,350 | 10/- | 923.20/- |
| 3. | 17th January, 2022 | 15,291 | 10/- | 1079.45/- |
| During the FY 2022-23 | | | | |
| 4. | 13th September, 2022 | 10,17,243 | 10/- | 816.05/- |

The details of stock options granted to KMP under the ESOP Scheme 2007 in the FY 2021-22 and FY 2022-23 are as under:

| Sr. No. | Name of KMP | Designation | Total options granted | |
|---------|-----------------------|---|-----------------------|----------|
| | | | 2021-22 | 2022-23 |
| 1. | Mr. Imtaiyazur Rahman | Managing Director & Chief Executive Officer | 2,30,000 | 2,60,393 |
| 2. | Mr. Surojit Saha | Chief Financial Officer | 14,603 | 16,931 |
| 3. | Mr. Arvind Patkar | Company Secretary & Compliance Officer | 2,460 | 2,356 |

The details of employees who received a grant of options amounting to five percent or more of options granted during the FY 2022-23:

| Sr. No. | Name | Designation | Total options granted during the FY 2022-23 |
|---------|---------------------------|---|---|
| 1. | Mr. Imtaiyazur Rahman | Managing Director & Chief Executive Officer | 2,60,393 |
| 2. | Mr. Vetri Subramaniam | Chief Investment Officer | 1,23,040 |
| 3. | Mr. Amandeep Singh Chopra | Head-Fixed Income | 64,983 |

During the FY 2022-23, the Company has not granted stock options to employees under the ESOP Scheme 2007 which equal to or exceeds one percent of the issued share capital of the Company.

The grant was made based on parameters *inter-alia* including tenure, performance, role and total cost to the Company. The other terms of the aforementioned grants was in line with the options granted under the ESOP Scheme 2007.

The Company had obtained the in-principle approval from stock exchanges for listing of 21,10,259 equity shares for grants made in 2019 under the ESOP Scheme 2007 and the following equity shares are issued and listed during the previous three financial years:

| Financial Year | Number of equity shares |
|----------------|-------------------------|
| 2020-21 | Nil |
| 2021-22 | 1,61,787 |
| 2022-23 | 34,654* |
| Total | 1,96,441 |

* 1,169 equity shares of the face value of ₹10 each allotted under ESOP Scheme 2007 on 16th March, 2023 were listed and admitted for trading on Stock Exchanges with effect from 5th April, 2023.

The scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the SEBI SBEB & SE Regulations). The disclosures as required under the aforesaid regulations can be accessed on the Company's website at <https://utimf.com/>.

The certificate, as required under Regulation 13 of the SEBI SBEB & SE Regulations, from the Secretarial Auditor of the Company certifying that 'UTI AMC Employee Stock Option Scheme-2007' has been implemented in accordance with the aforesaid regulations will be available for inspection at the 20th AGM of the Company.

DIRECTORS' REPORT (Contd.)

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

As the Company is engaged in the business of fund management services, its operations are neither energy intensive nor does it require adoption of specific technology. However, the Company is observant on the need for conservation of energy and adequate measures or efforts, wherever viable, were taken to ensure energy conservation.

The Company is cognizant of the importance of imbibing measures towards optimum energy utilisation and conservation which are highlighted in the Business Responsibility and Sustainability Report forming part of this Annual Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo are mentioned below:

(₹ in crore)

| Particulars | FY 2022-23 | FY 2021-22 |
|---------------------------|------------|------------|
| Foreign Exchange Earnings | 13.86 | 14.04 |
| Foreign Exchange Outgo | 12.11 | 9.58 |

The Company spent foreign exchange for payment towards professional fees and foreign business tours.

ANNUAL RETURN

In accordance with the requirements under Section 134(3)(a) and Section 92(3) of the Act and circulars issued thereon, the Annual Return of the Company for the FY 2022-23 is available on Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/>.

UNCLAIMED DIVIDEND ON SHARES

The details of the unclaimed dividend as on 31st March, 2023 are as under:

(in ₹)

| Sr. No. | Financial Year | Amount |
|--------------|----------------|---------------------|
| 1. | 2019-20 | 8,56,267.00 |
| 2. | 2020-21 | 9,42,350.09 |
| 3. | 2021-22 | 6,95,059.06 |
| Total | | 24,93,676.15 |

The unclaimed dividend is mainly on account of non-updation of KYC details in the folios or demat accounts of the concerned members.

The details about the unclaimed and unpaid dividend amounts are available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/unclaimed-dividend/>.

SIGNIFICANT AND MATERIAL ORDER

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

MATERIAL CHANGE AND COMMITMENT AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There was no material change and commitment affecting the financial position of the Company between the end of the FY 2022-23 and the date of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS SECTION

A separate section titled Management's Discussion and Analysis Section for the FY 2022-23 has been included in this Annual Report.

CORPORATE GOVERNANCE

The Company is a professionally managed asset management company led by its proficient Board having expertise in diverse fields and a dedicated management team having requisite talent and experience. The Company firmly believes to operate its business in a robust and compliant environment.

In terms of the SEBI Listing Regulations, a separate section titled 'Corporate Governance Report' has been included in this Annual Report.

The Company has obtained a certificate from Vishal N. Manseta, Practicing Company Secretary, certifying that the Company has complied with the mandatory requirements as stipulated under the SEBI Listing Regulations and his certificate forms part of the Corporate Governance Report forming part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SEBI has, vide its official gazette notification dated 5th May, 2021 and circular dated 10th May, 2021, mandated the top 1000 listed entities to disclose their performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGRBC) in Business Responsibility & Sustainability Report from the FY 2022-23.

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report for the FY 2022-23 has been annexed as **Annexure-IV** to this Directors' Report.

The Company has issued its first sustainability report for the FY 2021-22 in line with the GRI Standards "Core Option" along with guidance from the Sustainability Accounting Standards Board reporting standards which outlines Company's performance on key ESG parameters integrated in the operations. At UTI AMC, focus on ESG matters underpins the business and is imperative to fulfilling the mission of serving clients responsibly and creating long-term value.

DIRECTORS' REPORT (Contd.)

The sustainability report is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/>.

POSTAL BALLOT

Pursuant to Section 110 and 108 of the Act read with rules made thereunder and circulars issued thereon and Regulation 44 of the SEBI Listing Regulations, the Company had conducted postal ballot activity for regularization of appointment of Mr. Kiran Kumar Tarania (DIN: 09637366) as Non-Executive Nominee Director. Other details of the postal ballot are included in the Corporate Governance Report forming part of this Annual Report.

WEBSITE DISCLOSURES

In compliance with the Regulation 46 of the SEBI Listing Regulations, the Company has disclosed necessary information / disclosures / intimations *etc.* on the Company's website at <https://www.utimf.com/uti-amc-shareholders/disclosures-under-regulation-46-of-the-lodr/>.

OTHER DISCLOSURES

In terms of the applicable provisions of the Act and the SEBI Listing Regulations, the Company additionally discloses that during the FY 2022-23:

1. there was no change in the nature of business of the Company;
2. there was no revision in the financial statements or Directors' Report of the Company;
3. disclosure pertaining to maintenance of cost records as specified by the central government under Section 148 (1) of the Act is not applicable to the Company;
4. the Company has not issued any shares with differential voting rights;
5. the Company has not issued any sweat equity shares;
6. the Company has not made any applications and no proceeding were pending under the Insolvency and Bankruptcy Code, 2016; and
7. the Company has not made any one-time settlement with the Banks or Financial Institutions.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) and Section 134(5) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the annual accounts for the FY 2022-23, the applicable accounting standards were followed along with proper explanation relating to material departures, if any;

2. the accounting policies were selected and applied consistently, judgments and estimates were made so that they are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the year *i.e.* 31st March, 2023, and of the Profit and Loss of the Company for that period;
3. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
4. the annual accounts were prepared on a going concern basis;
5. proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
6. systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board also place on record their appreciation for the hard work and dedication of all the employees and support staff of the Company and towards all of its subsidiaries.

The Board places its gratitude and appreciation for the valuable support, co-operation and guidance received from the Securities and Exchange Board of India, Reserve Bank of India, Pension Fund Development and Regulatory Authority, Ministry of Corporate Affairs, Registrar of Companies, Association of Mutual Funds in India, UTI Trustee Company Private Limited, National Securities Depository Limited, Central Depository Services (India) Limited, National Stock Exchange of India Limited, BSE Limited, Sponsors and the members of the Company.

The Board is also thankful to its UTI MF scheme investors, Auditors, Custodians, Registrar & Share Transfer Agents, Banks, Distributors and all other service providers for their valued support.

**For and on behalf of the Board of Directors of
UTI Asset Management Company Limited**

Dinesh Kumar Mehrotra
Chairman

Date: 9th June, 2023

Place: Mumbai

(DIN: 00142711)



ANNEXURE - I TO DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

1. Introduction:

- 1.1 Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "SEBI Listing Regulations"), it is mandatory to have a Dividend Distribution Policy ("Policy") in place by the top one thousand listed companies based on the market capitalisation calculated as on 31st March, every year.
- 1.2 The Board of Directors of UTI Asset Management Company Limited (the "Company") has adopted and formulated this Policy, in compliance with the SEBI Listing Regulations.

2. Objective:

The objective of this Policy is to establish the parameters to be considered by the Board before declaring or recommending dividend. The Policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient funds are retained for the growth of the Company.

3. Definitions:

- 3.1. The words, terms and expressions referred to in this policy will have the same meaning as defined under the Companies Act, 2013 (the "Act"), the rules made there under and the SEBI Listing Regulations including any statutory modification or re-enactment thereto, as the case may be.
- 3.2. In this Policy, unless the contrary intention appears:
 - a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
 - b) a reference to a clause number includes a reference to its sub-clauses;
 - c) words in singular number include the plural and vice-versa.

4. Scope:

- 4.1 The Policy covers the following:

a. Dividend to Equity Shareholders of the Company:

At present the Company has only one class of equity shares and accordingly, the Dividend will be distributed equally among all the equity shareholders, based on their shareholding on the record date. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in

accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

b. Interim Dividend:

- Interim Dividend(s), if any, shall be declared by the Board.
- In case no final dividend is declared for any particular financial year, interim dividend paid during that year, if any shall be regarded as final dividend for the year in the Annual General Meeting ("AGM").
- Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend along with all the compliances to be taken care of as per the statutory requirements.
- The payment of dividend shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- Interim dividends will be declared before the end of the financial year:
 - out of the surplus in the profit and loss account;
 - out of the profits of the financial year in which interim dividend is sought to be declared;
 - out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend;
- In case, the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of the dividend, such dividend shall not be declared at a rate higher than the average dividends declared during three preceding financial years.

c. Final Dividend:

- Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- The dividend as recommended by the Board shall be approved / declared in the AGM of the Company.



ANNEXURE - I TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)

- The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date / book closure period, as per the applicable laws.
- Final dividend shall be declared after audited financials are available and after taking into account the interim dividends declared in that year.
- Unrealized gains in other comprehensive income will not be considered for declaration of dividend.

5. Parameters to be considered:

5.1 Parameters to be considered before recommending dividend:

The Board of Directors may declare dividend equivalent to 50% or more of the Profit after Tax (PAT) of the Company after considering the following factors:

Statutory and Regulatory factors

The Company shall declare dividend only after ensuring compliance with provisions of the Act, rules made thereunder, the SEBI Listing Regulations, as amended, any other statutory laws as may be applicable from time to time and Articles of Association of the Company.

Financial Factors / Internal Factors

- Profits earned during the financial year:
- Accumulated reserves;
- Profitability outlook for the coming years
- Expected future capex requirements
- Expansion or modernisation of existing businesses;
- Free cash flows after considering capital expenditure requirement, resources required to fund acquisitions, diversification, repayment of borrowings, change in working capital, research and development, to meet contingencies *etc.*
- Cost of borrowings for long term and short-term projects proposed to be undertaken by the Company.
- Past dividend trends like rate of dividend, payout ratio, EPS, bonus, split of shares *etc.*
- Other factors which the Board may consider.

External Factors

- Shareholder expectations, including individual shareholders;
- Significant changes in the Macro-economic & Market conditions;
- Taxation, Regulation & Govt. Policies.

5.2 Circumstances under which the shareholders of the Company may or may not expect dividend

The Company may not distribute a dividend or may distribute a reduced quantum of dividend when there is absence or inadequacy of profits. Also, if one or more of the criteria for recommendation of dividend is not fulfilled by the Company, such as:

- Any regulatory restriction placed on the Company on declaration of dividend;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Due to losses incurred;
- Any corporate action resulting cash outflow, such as buyback of shares, investments, mergers, acquisitions *etc.*;
- Bonus issue;
- if the Board is of the view that it would be prudent to conserve capital for expansion of business growth or other exigencies, which shall be stated by the Board;
- Any external factors such as changes in tax law, significant change in Indian economy *etc.*

The reasons stated above are illustrative and not exhaustive.

5.3 Utilisation of retained earnings

Retained earnings shall be utilised in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board of Directors of the Company.

The Company shall endeavor to utilise retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

6. Non-applicability of Policy:

The Policy shall not apply to the dividend to be paid to the preference shareholders.

ANNEXURE - I TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)
7. Review:

- 7.1 The Policy would be subject to revision/ amendment in accordance with the applicable laws.
- 7.2 The Board shall review the Policy of the Company at least once in every three years.

8. Conflict:

In the event of any conflict between this policy and the extant regulations, the regulations shall prevail.

9. Amendments:

Any subsequent amendment/modification in the Act, SEBI Listing Regulations and/or other applicable laws in this regard shall automatically apply to this Policy.

10. Disclosure of Policy:

The Policy shall be uploaded on the website of the Company and the weblink of the same shall be disclosed in the Annual Report of the Company.

11. Effective Date:

- 11.1. The Policy has come into effect from the date of approval of the Board *i.e.* 16th December, 2019.
- 11.2. The Policy has been amended, from time to time as mentioned below:

| Number of times, policy amended | Board Meeting Date |
|--|---------------------------|
| 1st Amendment | 12th September, 2020 |
| 2nd Amendment | 28th October, 2021 |

ANNEXURE - II TO DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

UTI Asset Management Company Limited

UTI Tower 'Gn' Block Bandra - Kurla Complex
Bandra (East) Mumbai-400 051.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices adopted by **UTI Asset Management Company Limited** (hereinafter called '**the Company**') for the period from April 01, 2022 to March 31, 2023. Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 ('**the Act**') and the rules made thereunder;

As per documents, information and explanation provided to me for inspection, the Company has maintained minutes book, statutory registers and has filed such e-forms as may be required by the Act and the rules made thereunder.

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Securities and Exchange Board of India (Depository Participant) Regulations, 2018 and Bye-laws framed thereunder;

The equity shares of the Company are in dematerialized form and the Company complies with the Depositories Act, 1996. The Registrar and Share Transfer Agent of the Company is KFin Technologies Limited.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (External Commercial Borrowings is not applicable to the Company during the audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

→ Not Applicable

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

→ Not Applicable

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

→ Not Applicable

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

→ Not Applicable

(vi) The list of other acts / regulations specifically applicable to the Company are as under:

(a) Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;

(b) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;

ANNEXURE - II TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)

- (c) Securities and Exchange Board of India (Investment Advisers) Regulations, 2013;
- (d) Provident Fund and other Employee Benefit related Statutes; and
- (e) Tax Deducted at Source (TDS) under Income Tax Act, 1961 & Indirect tax related statutes.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

I report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards *etc.* mentioned above to the extent applicable.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations.
- (ii) The Board-level committees are duly constituted in line with the provisions of the Act read with rules made thereunder and the Listing Regulations read with circulars issued thereon.
- (iii) The changes in composition of the Board of Directors of the Company during the audit period are as under:
 - Mr. Flemming Madsen (DIN: 02904543) retired by rotation at the 19th Annual General Meeting of the Company and the members had approved his appointment as the Non-Executive Nominee Director of the Company with effect from 26th July, 2022, liable to retire by rotation.
 - Mr. Imtaiyazur Rahman (DIN: 01818725) was appointed as Managing Director of the Company with effect from 26th July, 2022 to 12th June, 2024, not liable to retire by rotation. Accordingly, he was re-designated as Managing Director & Chief Executive Officer;
 - Mr. Sanjay Varshneya (DIN: 08161701) resigned as the Non-Executive Nominee Director with effect from 26th July, 2022; and
 - Mr. Kiran Kumar Taranian (DIN: 09637366) was appointed as an Additional Director (Non-Executive Nominee Category) by the Board of Directors with effect from 26th July, 2022 and his appointment was regularised by members through postal ballot passed on 12th October, 2022.

- (iv) Adequate notice was given to all directors to schedule the Board / Committees meetings, agenda and detailed notes on agenda were sent at least seven days in advance to the extent possible, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There was no gap of more than 120 days between two board meetings. All the Independent Directors as on 31st March, 2023 are registered in data bank of Independent Directors'.
- (v) All the decisions in the meeting of the Board of Directors / Committees were passed unanimously. In case of resolution(s) involving interest of any one of the directors present in the meeting, the respective director has abstained / recused from discussion and voting on such resolution(s).

I further report that:

- (i) No special resolutions were passed by the members at the 19th Annual General Meeting of the Company held on July 25, 2022.
- (ii) The Company has allotted 34,654 equity shares under 'UTI AMC Employee Stock Option Scheme-2007'. The Company has obtained listing and trading approval from the stock exchange(s) in respect of shares allotted under the scheme.

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

I further report that during the audit period, there are no specific events /actions undertaken by the Company, having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, *etc.*

**For Vishal N. Manseta
Practicing Company Secretary**

Vishal N. Manseta

C.P. No. : 8981

ACS No. : 25183

PRC No. : 1584/2021

Place: Mumbai

Date : 22nd May, 2023

UDIN: A025183E000348121

ANNEXURE - III TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

1. Brief outline on CSR Policy of the Company:

UTI Asset Management Company Limited (the Company) believes in a philosophy of empathetic care, generosity and humanity, characterised by a willingness to build a society that works for everyone. In accordance with the mission of the Company of being a socially responsible organization, it recognizes its wide ranging and far reaching capacity to meet the interests of all its stakeholders. The Company's Corporate Social Responsibility (CSR) initiatives endeavour to uphold and promote the well-being of the underserved and underprivileged communities in different parts of India. Through its CSR initiatives, the Company seeks to protract its contribution in social upliftment, resulting in sustainable community development.

The Company has in place a Corporate Social Responsibility Policy (CSR Policy) in compliance with the requirements of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company had adopted 'Human Development' as the CSR approach and re-affirmed its decision to undertake CSR Projects in any part of India. 'Education', 'Health' and 'Rural Development' were adopted as the thematic focus of its CSR interventions.

In terms of Section 135 of the Act, the Company had constituted a Board-level CSR Committee. An internal CSR Committee comprising of officials of the Company was also constituted to identify and recommend the projects to be undertaken, engage with the implementing agencies and carry out other related activities.

2. Composition of CSR Committee as on 31st March, 2023:

| Sr. No. | Name of Director | Designation | Position in Committee | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------|---|-----------------------|--|--|
| 1. | Ms. Dipali Sheth | Non-Executive - Independent Director | Chairperson | 2 | 2 |
| 2. | Mr. Dinesh Kumar Mehrotra | Non-Executive - Independent Director | Member | 2 | 2 |
| 3. | Mr. Edward Cage Bernard | Non-Executive - Nominee Director | Member | 2 | 1 |
| 4. | Mr. Imtaiyazur Rahman | Managing Director and Chief Executive Officer | Member | 2 | 1 |

Note: There was no change in the composition of the CSR Committee during the Financial Year (FY) 2022-23.

3. Web-link:

- Composition of CSR Committee:** <https://www.utimf.com/uti-amc-shareholders/corporate-governance/committee-of-the-board/>.
- CSR Policy:** <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.
- CSR projects approved by the Board:** <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

**ANNEXURE - III TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)**

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable.

- 5. a) Average net profit of the Company as per sub-section (5) of section 135:** ₹453.46 crore.
b) Two percent of average net profit of the Company as per sub-section (5) of section 135:

(₹ in crore)

| Financial Year | Net Profit |
|---|----------------|
| 2019-20 | 376.29 |
| 2020-21 | 457.82 |
| 2021-22 | 526.26 |
| Total | 1360.37 |
| Average Net Profit | 453.46 |
| 2% of Average Net Profit (CSR Obligation) | 9.07 |

- c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** Nil.
d) Amount required to be set-off for the financial year, if any: Nil.
e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹9.07 crore.
- 6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

i. Details of CSR amount spent against ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|---------------------|---|-----------------------|-------------------------|----------|------------------|---|---|---|--|--|----------------------|
| Sr. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes / No) | Location of the project | | Project duration | Amount allocated for the project (in ₹) | Amount spent in the current financial Year (in ₹) | Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in ₹) | Mode of Implementation - Direct (Yes / No) | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration No. |
| Nil | | | | | | | | | | | | |

ANNEXURE - III TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)

ii. Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) Sr. No. | (2) Name of the Project | (3) Item from the list of activities in Schedule VII to the Act | (4) Local area (Yes/No) | (5) Location of the project | | (6) Project duration | (7) Amount spent for the Project (in ₹) | (8) Mode of Implementation - Direct (Yes/No) | (9) Mode of Implementation - Through Implementing Agency | |
|----------------|--|--|----------------------------|--------------------------------|------------|-------------------------|--|---|--|----------------------|
| | | | | State | District | | | | Name | CSR Registration No. |
| 1. | UTI AMC Scholarship & Co-building Ashoka | (ii) | No | Haryana | Sonepat | 12 months | 2,50,00,000 | No | International Foundation of Research & Education (Ashoka University) | CSR00000712 |
| 2. | Enhancing Water Security & Health in Thar Desert-Phase II | (iv) & (x) | No | Rajasthan | Jaisalmer | 12 months | 1,50,36,335 | No | Gramin Vikas Vigyan Samithi | CSR00001526 |
| 3. | The Municipal School Project-Natwar Nagar Mumbai Public School | (ii) | Yes | Maharashtra | Mumbai | 12 months | 1,08,45,295 | No | The Akanksha Foundation | CSR00001286 |
| 4. | Sponsorship of Holistic Education, Lodging and Boarding of 50 visually impaired Children | (ii) | Yes | Maharashtra | Mumbai | 12 months | 59,01,966 | No | Victoria Memorial School for the Blind | CSR00000705 |
| 5. | Inclusive School for Differently abled Children | (ii) | No | West Bengal | Kolkata | 12 months | 1,02,33,405 | No | Institute for the Handicapped and Backward People | CSR00001075 |
| 6. | Clinical Sessions for Children with developmental disabilities | (i) | Yes | Maharashtra | Mumbai | 12 months | 1,00,00,000 | No | Ummeed Child Development Centre | CSR00000221 |
| 7. | Procurement of equipment for Robotic Surgeries for BPL patients of Department of Urology | (i) | Yes | Delhi | New, Delhi | 1 month | 86,57,432 | Yes | - | - |
| 8. | Project DRISHTI | (i) | Yes | Maharashtra | Mumbai | 1 month | 45,60,000 | No | Rotary Club of Madras East Trust | CSR00017534 |
| Total | | | | | | | 9,02,34,433 | | | |

**ANNEXURE - III TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)**

- b) **Amount spent in Administrative Overheads:** ₹5,24,394.
c) **Amount spent on Impact Assessment, if applicable:** Not Applicable.
d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹9,07,58,827.
e) **CSR amount spent or unspent for the Financial Year:**

| Total amount spent for the financial year (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 9,07,58,827 | - | - | - | - | - |

f) Excess amount for set-off, if any:

| Sr. No. | Particulars | Amount (in ₹) |
|---------|---|---------------|
| i. | Two percent of average net profit of the Company as per sub-section (5) of section 135 | - |
| ii. | Total amount spent for the financial year | - |
| iii. | Excess amount spent for the financial year [(ii)-(i)] | - |
| iv. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| v. | Amount available for set off in succeeding financial years [(iii)-(iv)] | - |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

| Sr. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Amount spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years. (in ₹) | Deficiency, if any |
|---------|-----------------------------|---|---|---|--|-------------------|--|--------------------|
| | | | | | Amount (in ₹) | Date of transfer | | |
| 1. | 2021-22 | 2,48,75,817 | 2,48,75,817 | 2,48,75,817 | 26,297 | 29th August, 2022 | - | - |
| 2. | 2020-21 | 5,06,03,477* | 1,36,69,825 | 1,36,69,825 | - | - | - | - |
| 3. | 2019-20 | - | - | - | - | - | - | - |

*The amount unspent for FY 2020-21 includes the amount unspent for projects sanctioned in FY 2019-20.

ANNEXURE - III TO DIRECTORS' REPORT DIRECTORS' REPORT (Contd.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

If yes, enter the number of Capital assets created / acquired:

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

| Sr. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |

Not Applicable

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
 (DIN: 01818725)

Dipali Sheth
Chairperson, CSR Committee
 (DIN: 07556685)

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

Global Economy

As the global economy navigates through various economic challenges, a prevailing sense of optimism continued to drive progress forward. As per the World Economic Outlook released by International Monetary Fund (IMF) in April 2023, baseline forecasts predict a decline in growth from 3.4% in 2022 to 2.8% in 2023, followed by a recovery to 3.0% in 2024.

Escalating fuel and input costs have led to a surge in production costs, resulting in higher prices for goods and services worldwide. The IMF's World Economic Outlook also reported that global inflation peaked at 8.7% in 2022 due to the prevailing inflationary environment. This elevated level of inflation raised concerns among central banks worldwide, leading to a tightening of monetary policies, higher interest rates, and greater volatility in financial markets. However, cooling fuel and commodity prices are anticipated to contribute to a decline in global inflation to 7.0% in 2023 and 4.9% in 2024, thereby easing some of the challenges. Moving forward, coordinated efforts from global economies towards addressing key supply chain challenges as well as tackling geopolitical tensions will be influential in charting the trajectory for the future.

The economic prospects of advanced economies are anticipated to experience a significant slowdown in growth, dropping from 2.7% in 2022 to 1.3% in 2023, owing to geo-economic fragmentation. In contrast, emerging markets and developing economies are expected to have stronger economic prospects, with an average growth rate of 3.9% predicted in 2023, and an anticipated rise to 4.2% in 2024.

(Source: IMF)

Indian Economy

The Indian economy has exhibited remarkable progress, demonstrating an exceptional growth trajectory that has outpaced that of several other nations in the process. Nevertheless, the country faced the challenge of soaring inflation levels, exacerbated by the ongoing Russia-Ukraine conflict. Despite collective efforts by the government and the RBI, retail inflation only fell below the RBI's upper tolerance threshold in November 2022. Meanwhile, the Wholesale Price Index (WPI) has dropped by 1,592 basis points from its peak of 16.63% in May 2022, currently standing at 1.34% in 10 months. Conversely, the Consumer Price Index (CPI), which measures retail inflation, reached a 16-month low of 5.66% in March 2023. Starting with the first repo rate hike in May 2022, policymakers have raised the repo rate six times during FY 2022-23, resulting in a cumulative increase of 250 basis points to the current level of 6.50%, with the most recent increase occurring in February 2023.

(Source: Morgan Stanley Report on Investment in India)

Despite facing these challenges, India is poised to remain the fastest-growing major economy, with numerous international agencies projecting a growth rate of 6.5-7.0% in FY 2022-23. This optimistic outlook is partly attributable to the Indian economy's resilience, which has witnessed a resurgence in private consumption, now the primary growth driver, surpassing export incentives. The increase in private consumption has also spurred production and enhanced capacity utilisation across multiple sectors.

The convergence of three major trends - global offshoring, digitalisation, and energy transition - is set to pave the way for unprecedented growth in the country. As geopolitical uncertainties recede, consumer sentiment is expected to improve, providing a significant impetus to all sectors. India's significant investments in technology, infrastructure, and energy will position it towards the trajectory of becoming one of the world's leading economies in the coming decade.

MUTUAL FUND INDUSTRY OVERVIEW

Global mutual fund industry witnessed growth of 3.1% CAGR between 2019 and 2022

Globally, the mutual fund industry AUM grew from US\$ 54.9 tn in 2019 to US\$ 70.9 tn in 2021 but declined to US\$ 60.1 tn in 2022 as global economy witnessed tightening of monetary conditions in most regions with central banks of several countries increasing interest rates to fight inflation. According to IMF, a broad based and sharper than expected slowdown with high inflation was being faced across the globe in 2022. Moreover, Russia-Ukraine war had caused severe energy and commodity price shocks, and disruptions in international trade.

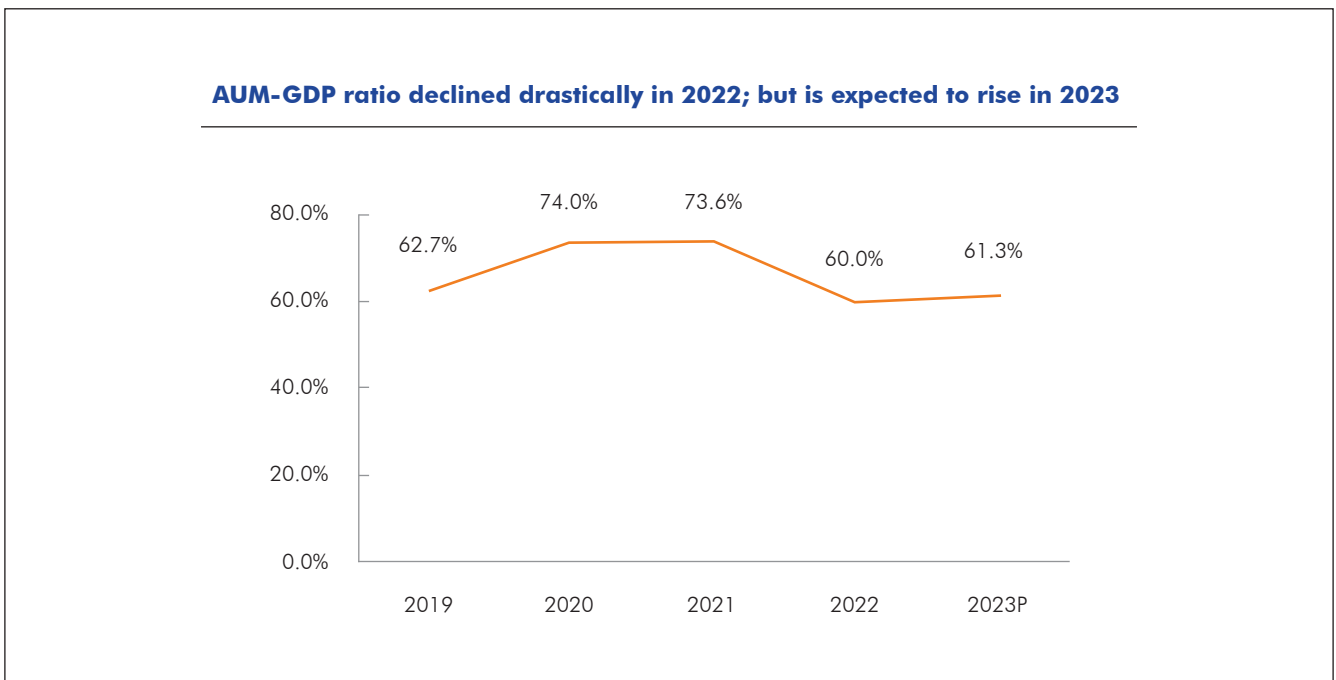
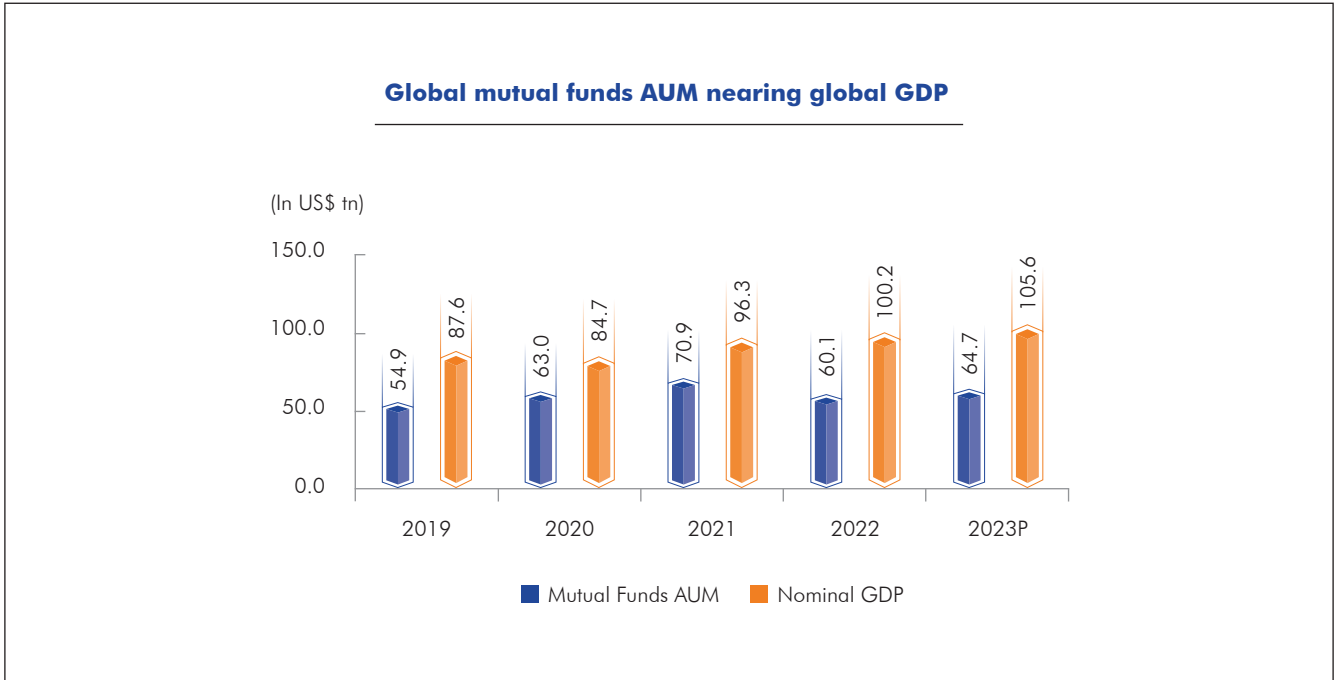
The World GDP recovered strongly post-pandemic and grew at 13.6% to reach US\$ 96.3 tn in 2021. The recovery was supported by various economic measures of governments like stimulus packages to fight the pandemic, ease of COVID-led restrictions and vaccination drives across countries. In 2022, global economy showed some resilience to economic slowdown and grew at 4.1% year-on-year to cross US\$ 100 tn in 2022.

Mutual fund AUM-to-GDP ratio stood at 60% in 2022. In 2023, the mutual fund AUM-to-GDP ratio is expected to rise on the back of increased participation of retail investors, cooling of inflation and government policies across the globe.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Despite robust growth, India's AUM-to-GDP ratio remains low as compared to other economies

India has witnessed impressive growth in its mutual fund industry in the last two fiscals. India's AUM-to-GDP ratio reached all-time high of 15.9% in fiscal 2022 which was driven by increasing financial awareness, rising participation of retail investors, increase in investments through systematic investment plans, and ease of access and investing provided by various platforms.



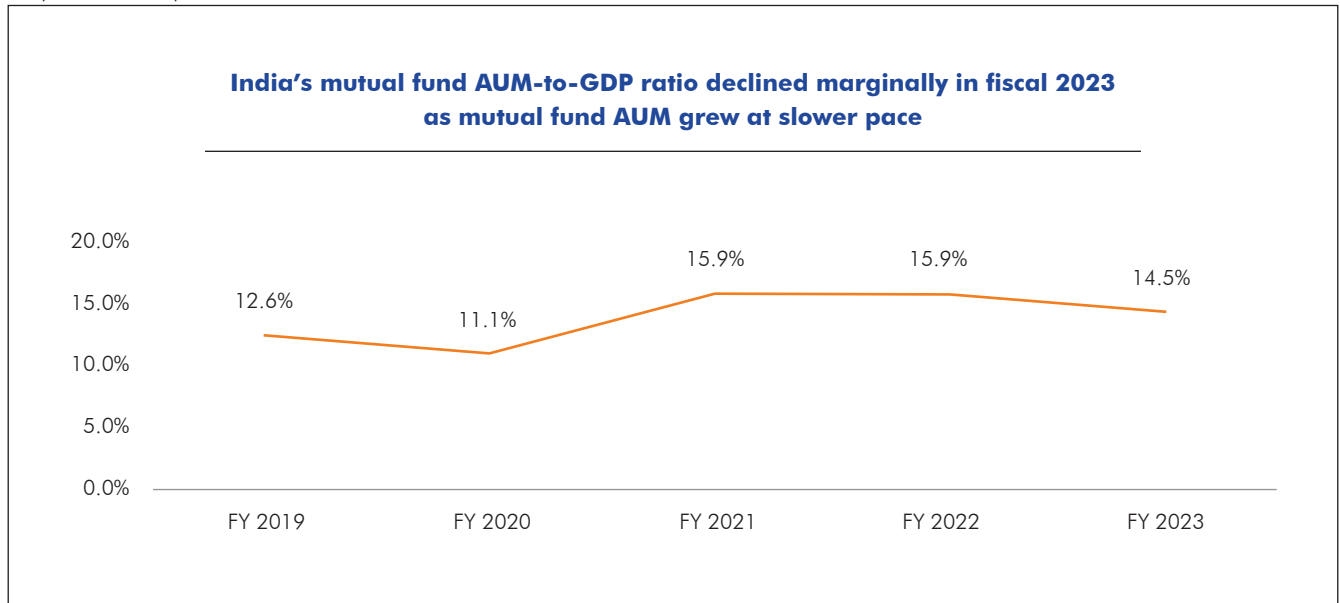
Note: P: Predicted, year in the above charts represent calendar year, nominal GDP has been considered, mutual funds AUM is stated as at the end of each calendar year, AUM of open-ended funds excluding fund of funds has been considered.

Source: The International Investment Funds Association (IIFA), World Bank, International Monetary Fund (IMF), CRISIL MI&A

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

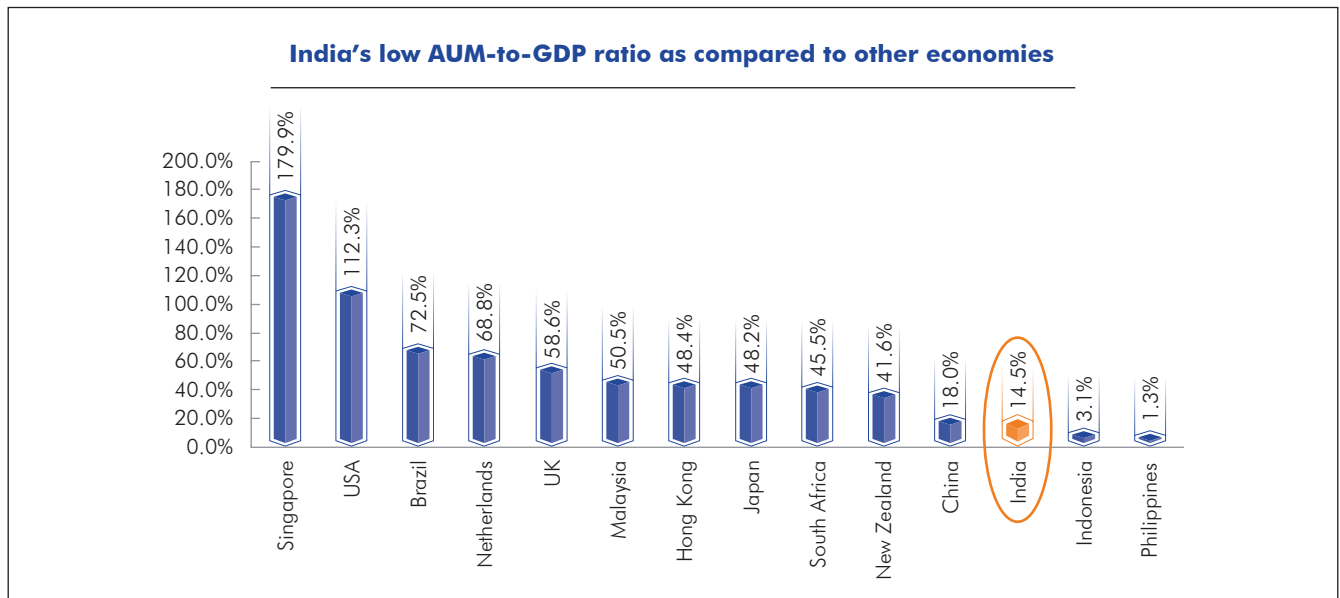
Indian Mutual Fund Industry

India’s mutual fund penetration (AUM-to-GDP) is significantly lower when compared to many developed economies such as the U.S. at 112.3%, the Netherlands at 68.8% and the United Kingdom (UK) at 58.6%. Mutual fund penetration in India’s emerging counterparts such as Brazil and South Africa is much higher at 72.5% and 45.5% respectively as of 2022. Although the Asian market is still underdeveloped as a whole, but some countries like Singapore, Malaysia and Hong Kong are performing well with AUM-to-GDP ratio of 179.9%, 50.5% and 48.4%, respectively. This reflects that Indian mutual fund industry is still in its infancy and there is a lot of scope for development.



Note: Net month-end AUM and nominal GDP at current prices have been considered

Source: AMFI, CRISIL MI&A



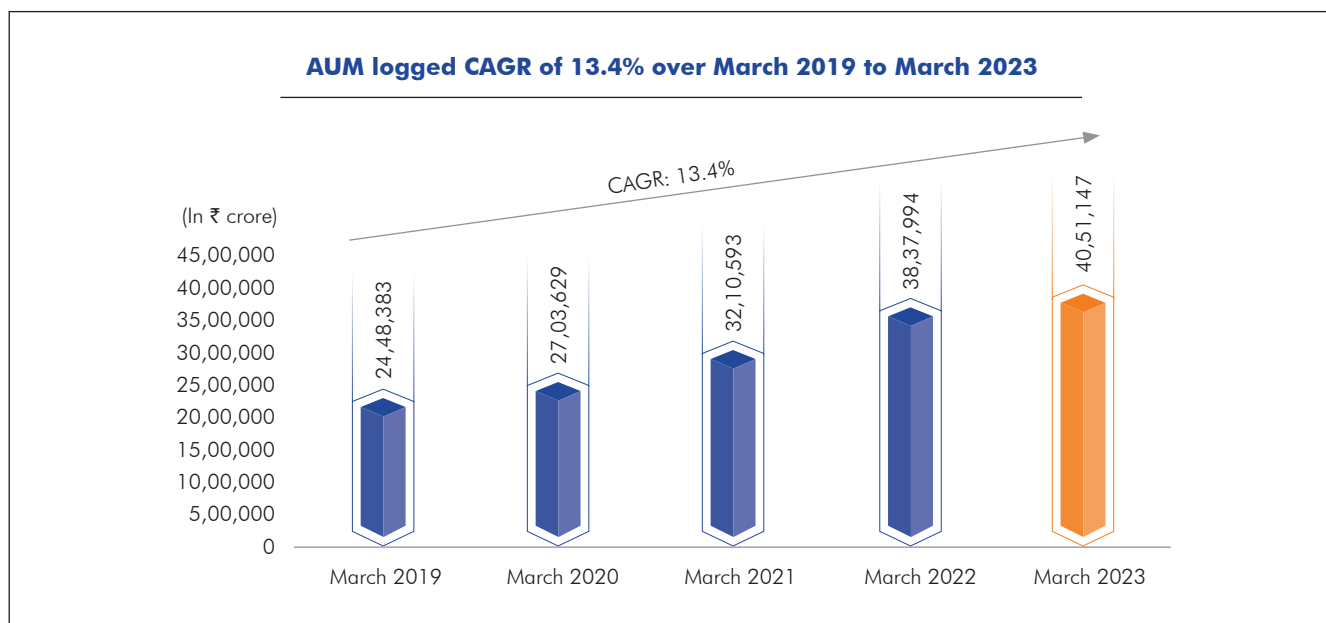
Note: Above charts represent AUM-to-GDP ratio; Nominal GDP and AUM data of USA, Netherlands, Brazil, UK, Japan, South Africa, New Zealand, China, Malaysia, Indonesia and Philippines has been taken as of 31st December, 2022. Nominal GDP and AUM data of Singapore has been taken as of 31st December, 2020. Nominal GDP and AUM data of Hong Kong has been taken as of 31st December, 2021. Nominal GDP and AUM of India has been taken for financial year 2023 (April 2022-March 2023). Open-ended funds excluding fund of funds have been considered in the first chart, GDP of all the countries is based on current prices estimation by IMF in World Economic Outlook of April 2023.

Source: IMF, IIFA, Monetary Authority of Singapore (“MAS”), Hong Kong Investment Fund Association, Securities Commission Malaysia, Association of Investment Management Companies (Thailand), Financial Services Authority of Indonesia, CRISIL MI&A

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Trends in the Indian Mutual Fund Industry

- Robust growth in Indian mutual fund AUM between fiscals 2019 and 2023:** The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace between fiscals 2019 and 2023, against the backdrop of an expanding domestic economy, robust inflows, and rising investor participation, particularly from retail investors. Average AUM grew at CAGR of 13.4% to ₹ 40,51,147 crore as of March 2023 from ₹ 24,48,383 crore as of March 2019. However, growth was slowest in fiscal 2023 at 5.6% year-on-year on account of a tepid equity market.

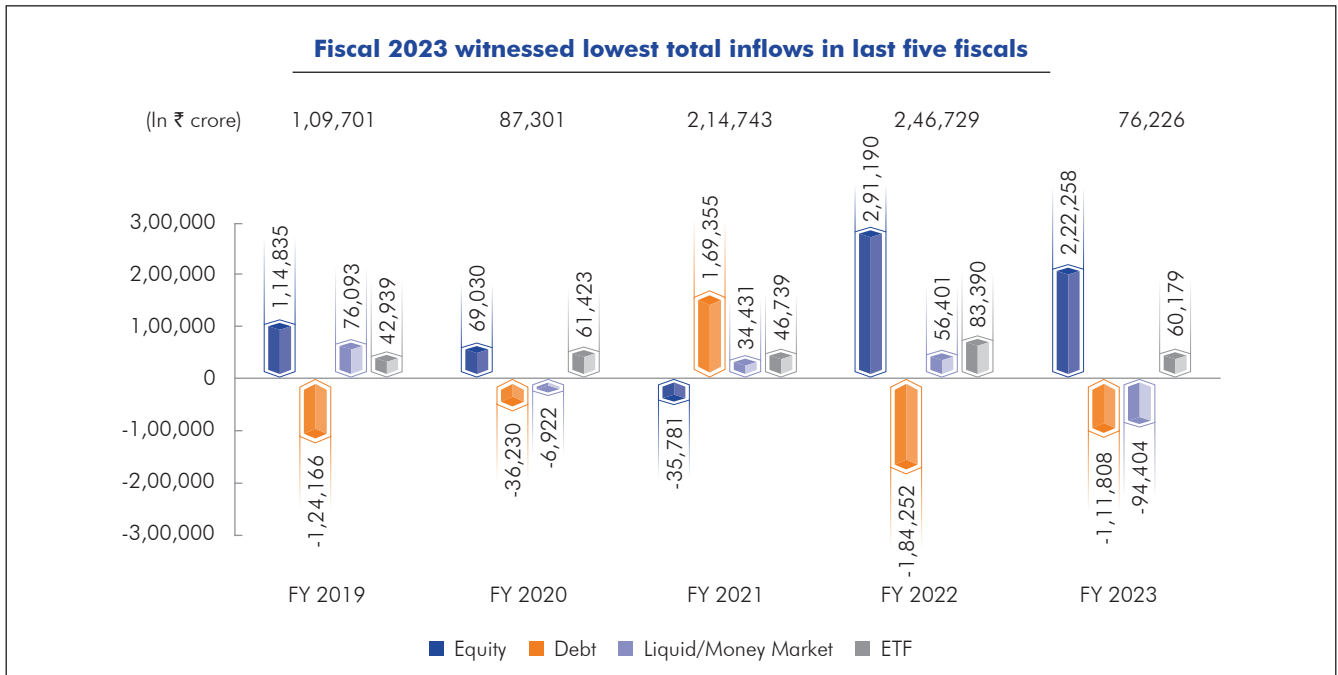


Note: Values in the chart above are based on quarterly average AUM

Source: AMFI, CRISIL MI&A

- Net inflow of mutual funds in equity segment continues to remain positive in fiscal 2023:** A major event in the form of the NBFC crisis in fiscal 2019 slowed inflows during the year, followed by fiscal 2020, which ended with the disruption caused by the COVID-19 pandemic. In fiscal 2021, led by resurgence of investor interest despite the COVID-19 pandemic, aggregate inflows totaled ₹ 2,14,743 crore. Inflows continued to remain strong in fiscal 2022 as well, with ₹ 2,46,729 crore flowing in, mainly through equity funds. However, debt mutual funds witnessed heavy outflows upto ₹ 1,84,252 crore in fiscal 2022 due to lower returns and rising interest in equity market which showed strong growth. The trend continued in fiscal 2023, where debt mutual funds and liquid funds witnessed outflows of ₹ 1,11,808 crore and ₹ 94,404 crore respectively as they offered muted returns to the investors owing to tightening of monetary conditions both globally and in India due to rising inflations. On the other hand, in fiscal 2023 equity mutual funds witnessed second highest inflows in last five fiscals, marginally lower than fiscal 2022, which reflects continued confidence of investors in equity-oriented schemes despite volatility. Moreover, existing investors continued investing in mutual funds through SIPs.

Retail participation increased with monthly inflows into mutual funds through the SIP route increasing from approximately ₹ 11,863 crore in April 2022 to approximately ₹ 14,276 crore in March 2023. During the same time, number of SIP accounts increased from 5.39 crore in April 2022 to 6.36 crore in March 2023.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)


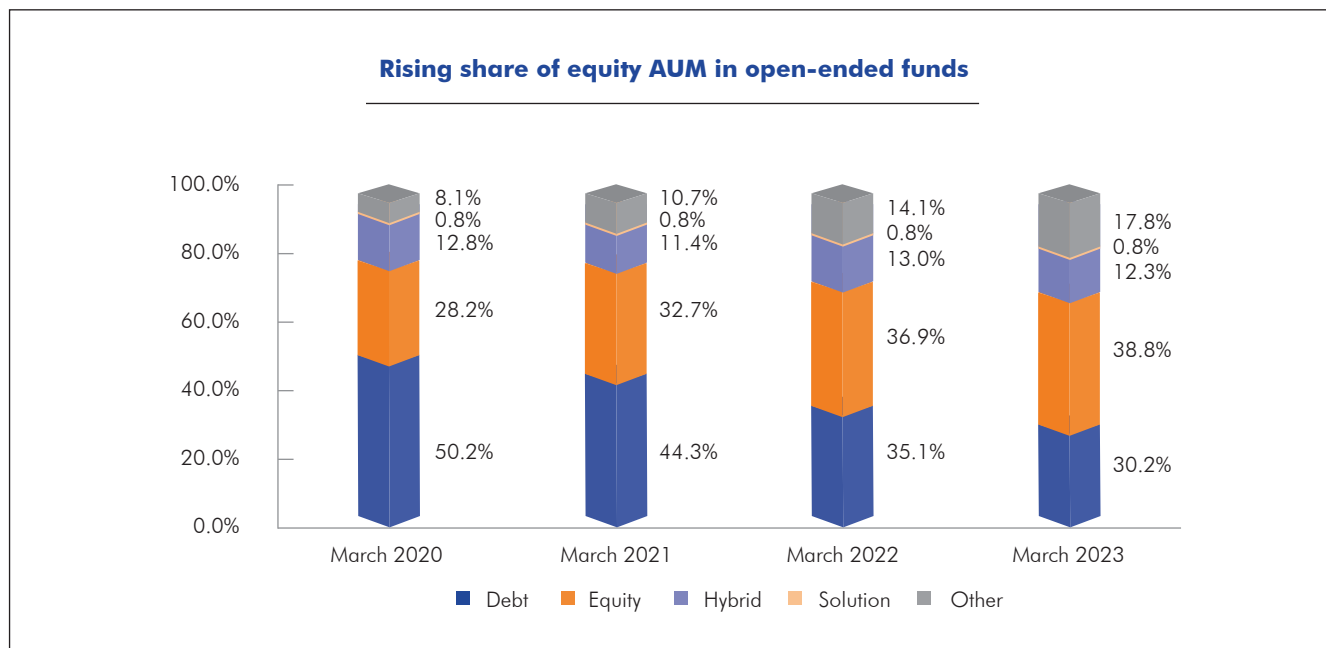
Notes: (1) As per quarterly average AUM data. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/money market includes liquid funds, overnight funds, and money market funds

(2) Figures in the box represents net inflow for the period; Source: AMFI, CRISIL MI&A

- Open-ended funds have contributed maximum to India's Mutual Fund AUM:** Open-ended funds contributed 99.2% of the total AUM as of March 2023. Open-ended funds include debt, equity, hybrid solution and other funds such as index, gold ETFs, other ETFs and fund of funds investing overseas. In open-ended funds, equity-oriented AUM has the highest share with 38.8% as of 31st March, 2023. Continued investment by existing mutual funds investors and rising retail investors contributed to the growth of equity funds AUM. However, debt mutual funds accounted for 30.2% as of 31st March, 2023 as against 35.1% last fiscal on account of heavy outflows due to subdued returns and rising interest rate scenario. Hybrid, solution-oriented and other funds contributed 12.3%, 0.8% and 17.8% respectively.

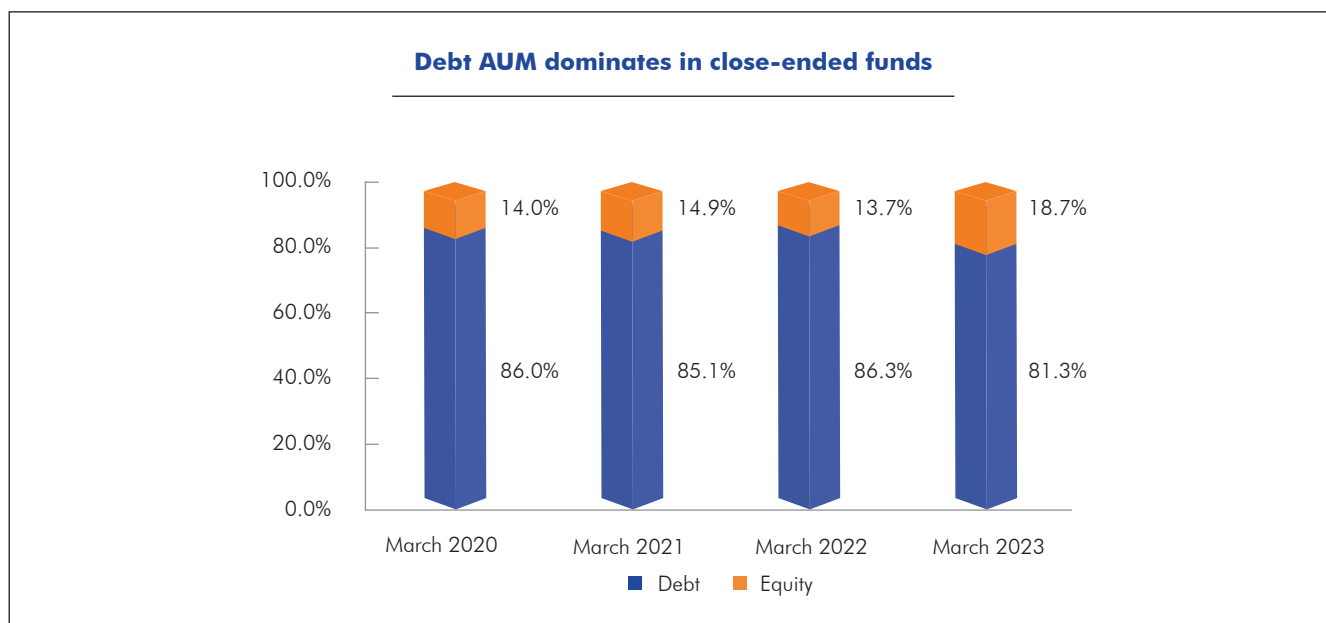
Close-ended funds include only debt and equity-oriented schemes and contributes only 0.8% of the total AUM as on 31st March, 2023. Debt-oriented AUM contributes highest at 81.3% towards close-ended AUM as of 31st March, 2023, however the share of equity-oriented AUM has increased from 13.7% as of 31st March, 2022 to 18.7% as of 31st March, 2023 due to continued investments in ELSS scheme. Interval funds also include both debt and equity-oriented schemes. However, since March 2020, the industry is witnessing inflows from debt-oriented interval funds.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



Note: Data includes net quarter-end AUM, 'Other' includes index funds, gold ETFs, other ETFs and fund of funds investing overseas

Source: AMFI, CRISIL MI&A



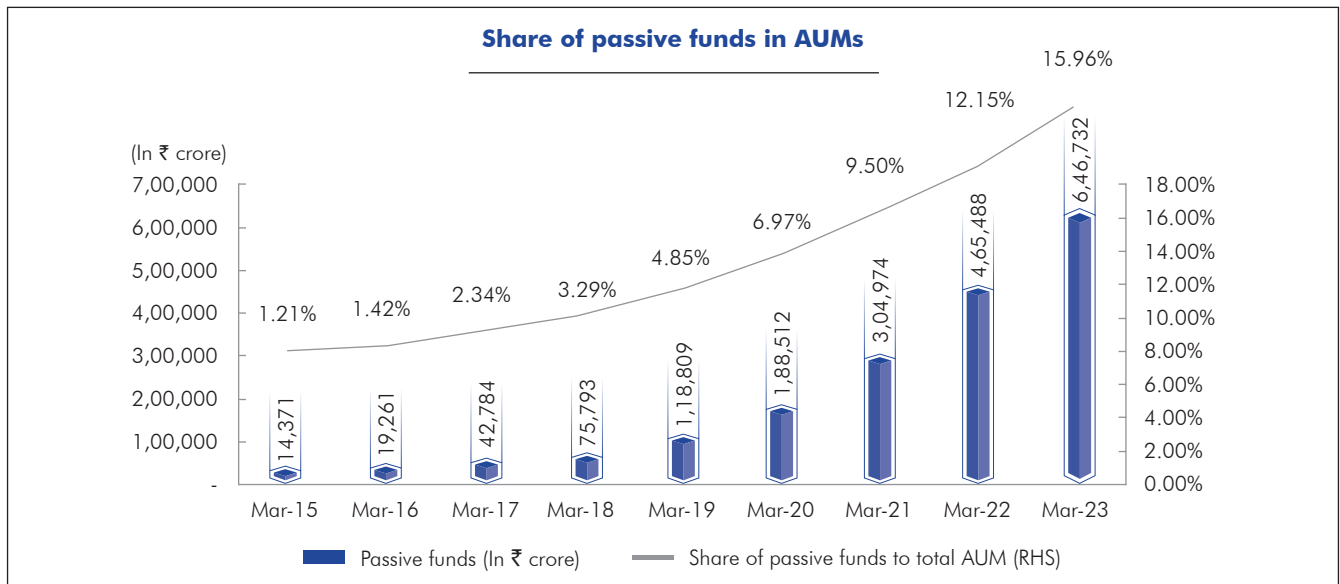
Source: AMFI, CRISIL MI&A

- Share of passive funds low in industry AUM, but has risen steadily over small base:** Unlike the U.S. and other developed countries, where passive asset management garners a larger share, passively managed ETFs and index funds are yet to gain the same level of traction in India. However, with increased awareness amongst investors about passive funds, lower expense ratio and ease of investment, their popularity is increasing with AUM share rising from 1.2% as of March 2015 to 15.96% as of March 2023. With several new index funds and ETFs launched in fiscal 2023, the AUM of passive funds increased to ₹ 6,46,732 crore as of 31st March, 2023, having grown at a CAGR of approximately 60.9% between March 2015 and March 2023.

While the space is dominated by institutional investors, retail demand has picked up in the recent past owing to discounts provided through Indian government disinvestment schemes, namely CPSE ETF (Central Public Sector Enterprises Exchange Traded Fund)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

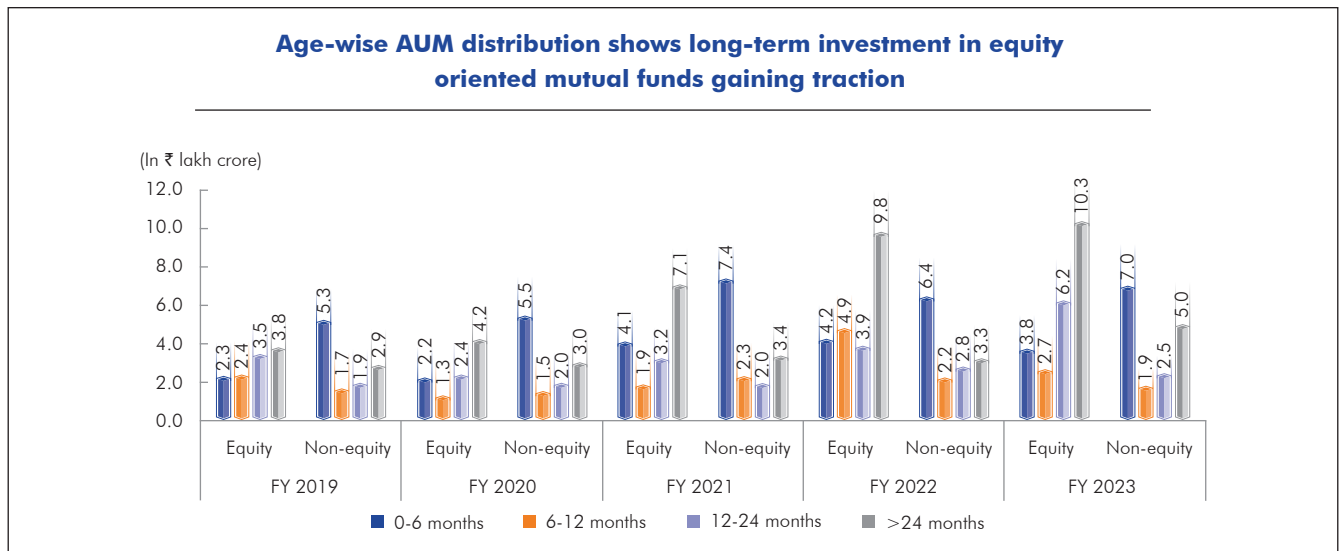
and Bharat 22 ETF. These schemes are aimed at increasing retail investor participation. The rising interest can also be attributed to the low cost and well-diversified nature of ETFs, namely, gold ETFs and investments in equities beyond India. In addition, they also act as alternatives to actively managed funds. AMC's having higher share of these funds can better cross-sell other products to their retail base and, thus, save on costs incurred for marketing and business acquisition of retail customers. High growth potential of this fund category also makes it attractive for AMC's, and the large chunk of institutional mandates makes managing the funds more profitable.



Note: Passive funds include gold ETFs, other ETFs and index funds. Figures exclude index funds from March 2020. QAAUM has been considered

Source: AMFI, CRISIL MI&A

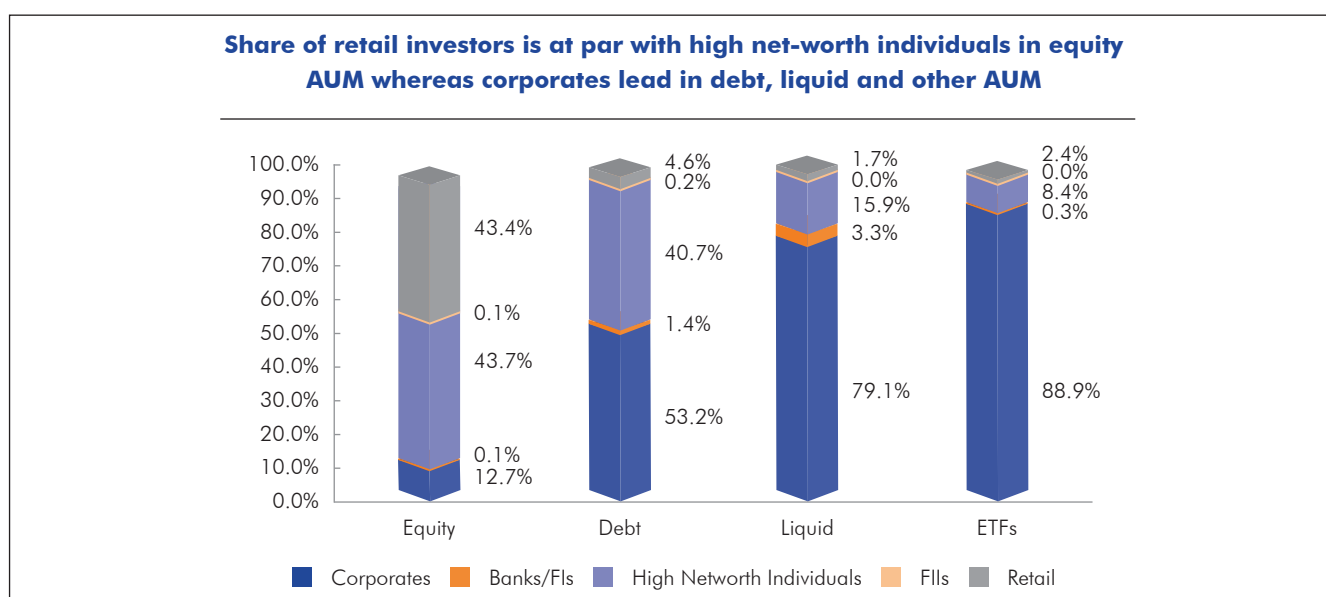
- Investors are preferring long-term equity schemes and short-term debt schemes:** Equity schemes having age of more than 24 months had the highest share of AUM of ₹ 10,34,611 crore as on 31st March, 2023. This shows that investors are preferring long-term investments in equity due to positive returns that equity-oriented schemes have given. Non-equity schemes of age below 6 months having a share of ₹ 6,99,478 crore of AUM was the second highest contributor as investors move towards safer debt mutual funds.



Source: AMFI, CRISIL MI&A

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

- Holding patterns suggest retail investors are at par with high net-worth individuals in equity AUM:** High net-worth individuals are the highest contributor to the equity mutual fund AUM as of 31st March, 2023. Their share in equity AUM has increased from 36.8% as of March 2022 to 43.7% as of March 2023. Share of retail investors also increased from 37.6% as of March 2022 to 43.4% as of March 2023. This can be attributed to the growing investment in Equity funds through the SIP route. In terms of debt AUM, corporates emerged as the leaders having total share of 53.2%. However, the demand for debt funds has also gained traction amongst high net-worth individuals owing to the long-term tax benefits of debt mutual funds, diversification of portfolio and flexibility of withdrawal without penalties. The share of high net-worth individuals in debt mutual funds AUM has increased from 36.8% as of March 2022 to 40.7% as of March 2023. Corporates also had highest share in liquid funds AUM and ETFs AUM with 79.1% and 88.9% of holdings respectively, as of 31st March, 2023. FIs have the minimum holdings across all types of AUM.



Note: As per quarterly average AUM as of March 2023; Equity includes equity-oriented funds, hybrid funds, solution-oriented funds and index funds; Debt includes debt-oriented funds, gilt funds and fund of funds invested overseas; Liquid includes liquid funds, money market funds and floater funds; ETFs include Gold ETF and other ETFs.

Source: AMFI, CRISIL MI&A

- Individuals outpace institutional investors in terms of AUM:** Historically, majority of the industry's assets were held by institutional investors, mainly corporates. However, the share of institutional investors, corporates, banks/financial institutions ("FIs") and foreign institutional investors ("FII's")/foreign portfolio investors ("FPIs") has gradually declined from 45% as of March 2019 to 40% as of March 2023. This is because, while institutional AUM grew at approximately 9% CAGR over the period, individual AUM saw a faster trajectory of 15% CAGR on the back of rising participation, especially in equity funds. The mutual fund industry has seen increased participation from households in recent years, owing to growing awareness, financial inclusion, improved access to banking channels and increased adoption of technology by distributors.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)
Share of AUM by investor classification reflects exponential growth of AUM held by individual investors

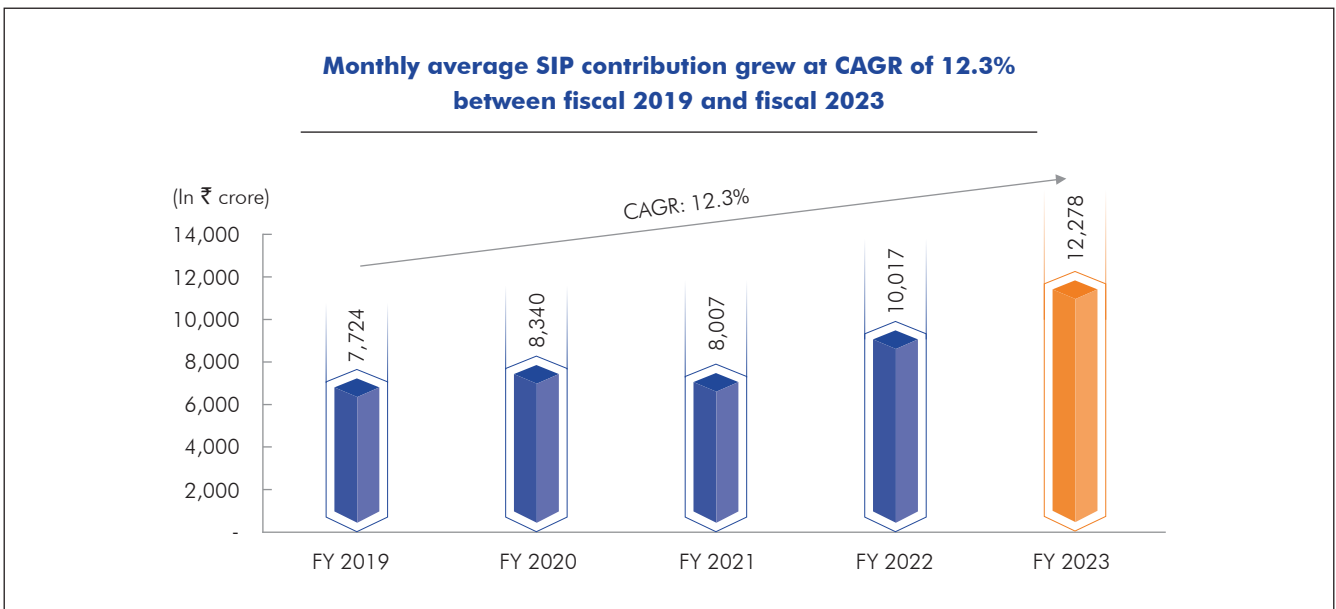
| Category (In ₹ crore) | March 2019 | March 2020 | March 2021 | March 2022 | March 2023 |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Corporates | 10,10,202 | 10,98,454 | 14,26,743 | 16,23,633 | 15,38,893 |
| Banks/FIs | 82,648 | 76,720 | 57,703 | 61,313 | 31,328 |
| FIs/FPIs | 11,061 | 5,376 | 5,782 | 4,372 | 4,018 |
| Institutional sub-total | 11,03,911 | 11,80,550 | 14,90,228 | 16,89,319 | 15,74,238 |
| Retail Investors | 6,44,595 | 4,69,630 | 7,04,351 | 8,80,037 | 10,07,230 |
| HNI's | 7,09,510 | 8,20,703 | 10,22,616 | 12,00,940 | 13,60,562 |
| Individual sub-total | 13,54,105 | 12,90,332 | 17,26,967 | 20,80,977 | 23,67,793 |
| Total | 24,58,016 | 24,70,882 | 32,17,194 | 37,70,295 | 39,42,031 |

Notes: (1) Figures are in ₹ crore; (2) Average monthly AUM for the period considered, (3) Individual investors include retail and high net worth individuals ("HNI") investors. Institutional investors include corporates, banks/FIs, and FI/FPIs;

Source: AMFI, CRISIL MI&A

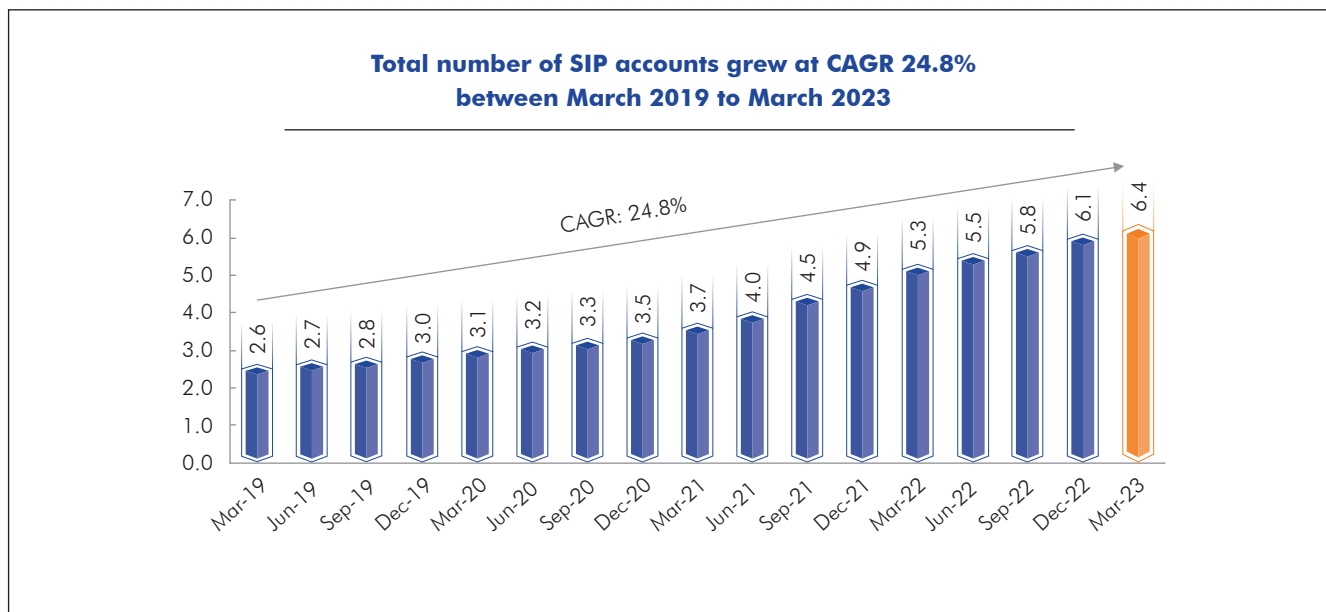
- SIPs have helped further retail investor participation in the mutual fund space:** Several benefits accrue from SIPs, such as avoidance of behavioural weakness during uncertain periods, aggregation of a high number of small amounts of investments, and certain tax benefits in ELSS through SIPs. SIPs have helped grow, diversify net inflow and reduce volatility in the aggregate inflows. The number of SIP accounts increased from 2.6 crore as of March 2019 to 6.4 crore as of March 2023. Monthly inflows through SIP have steadily increased, from approximately ₹ 8,055 crore in March 2019 to approximately ₹ 14,276 crore in March 2023. Monthly average inflows through SIP grew at CAGR of 12.3% from ₹ 7,724 crore in fiscal 2019 to ₹ 12,278 crore in fiscal 2023. Moreover, yearly SIP contribution grew at 29.6% in fiscal 2022 post-covid, a momentum that continued in fiscal 2023 as well, where a 25.2% jump in yearly SIP contribution was recorded.

Popularity of equity funds, rising participation of investors, recent investor education initiatives, and apparent benefits of SIPs to households that traditionally did not invest in mutual funds indicate that growth in inflows from SIPs is expected to accelerate over the foreseeable future. This is expected to make SIP an increasingly important component in overall AUM growth.



Source: AMFI, CRISIL MI&A

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



Source: AMFI, CRISIL MI&A

- Channel-wise growth analysis in AUM suggests rise in AUMs under direct plans:** In September 2012, SEBI mandated mutual fund houses to offer products through the direct route alongside distributors. Asset managers launched a slew of direct plan offerings from January 2013. Consequently, AUMs of direct plans grew at an annualised 15.4% since fiscal 2019. As of March 2022, AUMs under direct plans represented 45.6% of aggregate industry AUM, up from 41.1% share as of March 2019. However, AUMs under direct plan marginally declined to 44.8% as of March 2023.

Going forward, CRISIL MI&A expects increasing investor awareness and integration of user interfaces through digital channels to lead to further growth in direct plan AUM. Direct plans offer the benefit of lower expense ratios to investors when compared with regular plans.

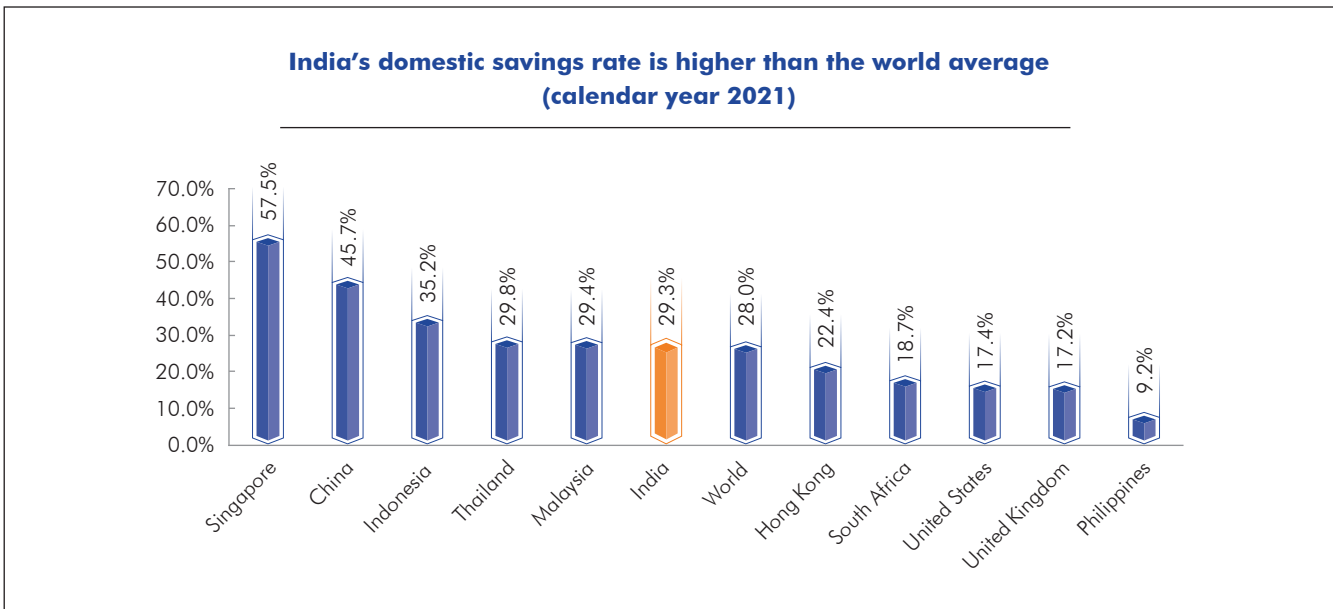
- Rising popularity of direct plans among individual investors:** As of March 2023, 74.4% of total institutional investors monthly average AUM accounted for investments through direct plans (up from 70.6% on 31st March, 2019), whereas 23.4% of total individual investors monthly average AUM accounted for investments through direct plans (up from 16.9% as of 31st March, 2019). The growing popularity of direct plans among individual investors can be attributed to various campaigns and investor education initiatives undertaken by the mutual fund industry. CRISIL MI&A believes that the share of direct plan will gradually increase on account of investors looking to reduce costs as compared to investing through regular plans.
- Maharashtra has the highest share in total mutual fund AUM in India:** As per the state-wise/union territory-wise contribution to AAUM of scheme categories for March 2023, top 5 states having majority share of Indian mutual fund AUM are Maharashtra, New Delhi, Gujarat, Karnataka and West Bengal. Maharashtra has the highest share at 41.4% of the total mutual fund AUM of the country with a total of ₹ 16,57,957 crore AUM, followed by New Delhi at 9.3% with a total of ₹ 3,72,940 crore AUM, Gujarat at 6.9% with ₹ 2,76,921 crore AUM, Karnataka at 6.8% with ₹ 2,73,692 crore AUM and West Bengal at 5.2% with ₹ 2,08,987 crore AUM. Together, the top 5 states hold a massive 69.7% of the total mutual fund AUM of the country that amounts to ₹ 27,90,496 crore AUM.

Opportunities and Key Growth Drivers

India remains to be the fastest growing economy in the world. According to the data released by the National Statistical Office (“NSO”) in February 2023, the second advanced estimate for real GDP growth in fiscal 2023 is pegged at 7.0% year-on-year. Despite global slowdown, tightening of monetary conditions and high inflation, India recorded a higher economic growth rate as compared to many peers, owing to relatively strong local consumption, a lower reliance on global demand and continued resilience to external headwinds. The IMF has also forecasted that the country’s GDP will grow at a faster pace compared to other economies in calendar year 2023.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

- Per-capita income surpassed inflection point:** India's per-capita income crossed the US\$ 2,000 threshold in 2021, i.e. the inflection point when income crosses the subsistence expenditure level and moves to spending and investments. India's per-capita income expanded 7.6% in fiscal 2022. The IMF estimates the country's per-capita income (at constant prices) would clock a 6% CAGR between fiscal 2022 and 2025, and a nominal GDP per capita (at current prices) would log a 15% CAGR. A higher per-capita income, prospects of strong economic growth, financialisation of household savings, advancement of technology, and access to capital market products provide support to the investment climate in the country.
- Rising household savings to propel the Indian mutual fund industry:** According to the World Bank, the savings rate, or the proportion of gross domestic savings ("GDS") in GDP in the Indian economy has trended down in the past decade. However, India's domestic savings was still higher at 29.3% as compared to the world average of 28.0% at end of calendar year 2021. CRISIL MI&A expects India to continue being a high savings economy at least over the next decade. CRISIL MI&A expects household savings to increase further in the medium term, as households become focussed on creating a nest egg for the future post the COVID-19 pandemic-induced uncertainty. Further, according to the Securities and Exchange Board of India ("SEBI"), till Q3 of fiscal 2021, the household financial savings deployed in securities market had grown significantly to 1.2% of GDP as compared to 0.3% earlier. Going forward, if the amount of savings deployed in securities market sustains, it is expected to boost the capital markets and economy.



Note: The above data pertains to gross domestic savings rate in percentage for calendar year 2021

Source: World Bank, CRISIL MI&A

India's gross domestic savings rose at 6.60% CAGR between fiscal 2018 and fiscal 2022

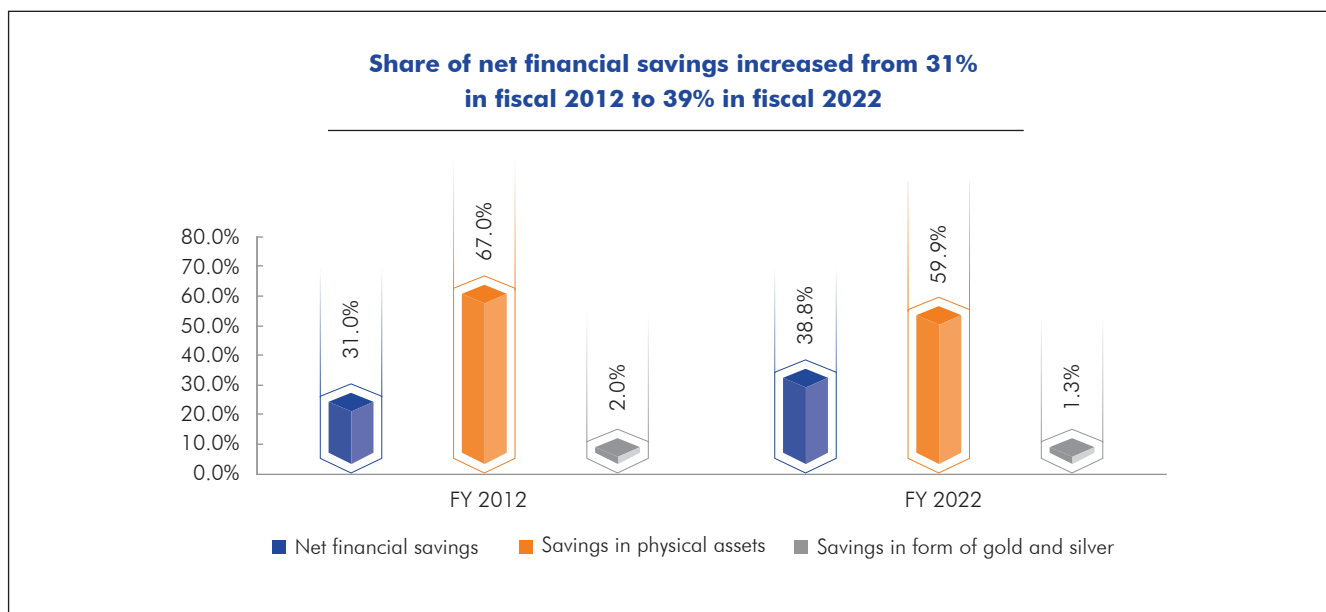
| Parameters (In ₹ hundred crore) | March 2018 | March 2019 | March 2020 | March 2021 | March 2022 | CAGR |
|--|------------|------------|------------|------------|------------|-------|
| GDS | 54,807 | 60,003 | 59,959 | 57,168 | 70,767 | 6.60% |
| Household sector savings (net financial savings, savings in physical assets and in the form of gold and silver ornaments) | 32,966 | 38,446 | 39,291 | 44,347 | 46,195 | 8.80% |
| Gross financial savings | 20,564 | 22,636 | 23,991 | 30,544 | 25,979 | 6.02% |
| Financial liabilities | 7,507 | 7,712 | 7,866 | 7,775 | 8,071 | 1.83% |
| Net financial savings | 13,057 | 14,924 | 16,125 | 22,769 | 17,908 | 8.22% |
| Savings in physical assets | 19,442 | 23,094 | 22,735 | 21,194 | 27,690 | 9.24% |
| Savings in the form of gold/silver ornaments | 467 | 427 | 431 | 384 | 597 | 6.32% |

Note: The data is for financial year ending March; Physical assets are those held in physical form, such as real estate, etc.

Source: MOSPI, National Accounts Statistics, CRISIL MI&A

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

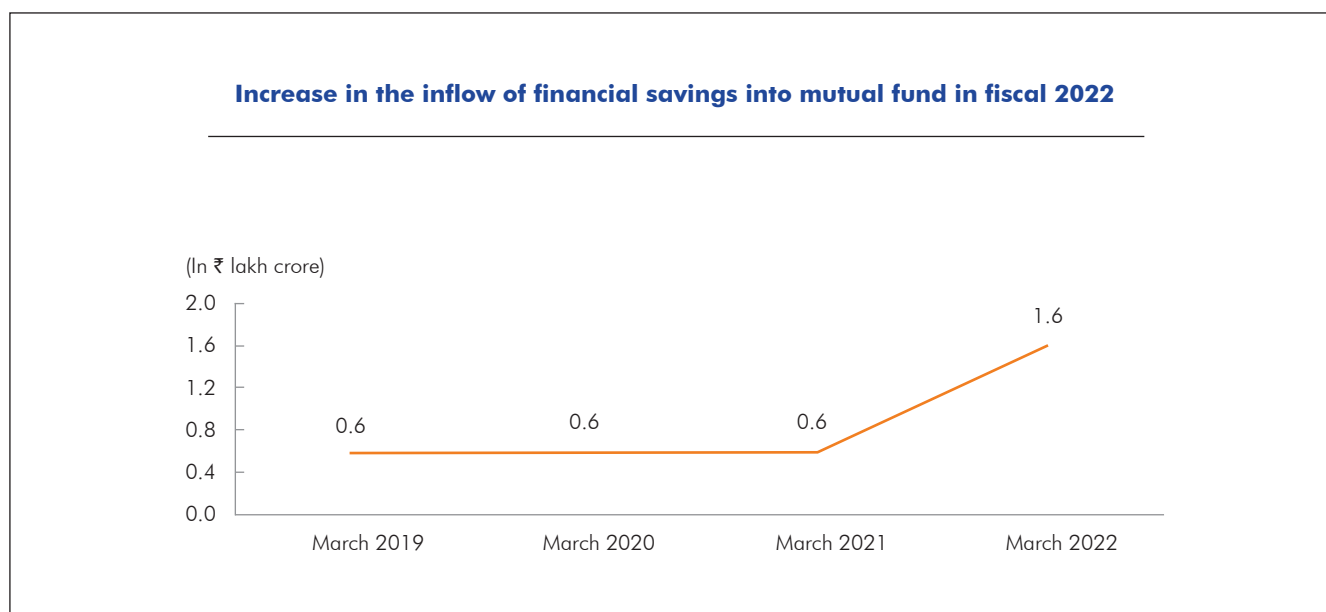
- Capital markets to remain attractive part of financial savings:** Between fiscal 2012 and fiscal 2022, the net financial savings increased at a CAGR of approximately 10.8% as compared to approximately 7.2% for saving in physical assets between the same period. This led to a decline in household savings in physical assets from 67.0% in fiscal 2012 to 59.9% in fiscal 2022. During the same period, net financial savings grew from 31.0% to 38.8%. Due to an increase in financial literacy and awareness, the relative outperformance of financial assets over recent years, and the Indian government’s efforts, CRISIL MI&A expects the share of financial assets as a proportion of net household savings to increase over the next five years. The rise in financial assets is expected to further boost the financial investments under mutual funds, equity, pension schemes, insurance and alternate assets.



Note: The data is for financial year ending March;

Source: Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL MI&A

- Annual inflows of household savings into financial assets during fiscal 2019 and fiscal 2022:** From fiscal 2019 to fiscal 2021, annual inflows of household savings into financial assets had increased at CAGR of 22%. However, fiscal 2022 witnessed reversal of this trend as inflows into deposits, life insurance and currency declined drastically. But annual inflows of household savings into mutual funds continued to rise and registered a massive growth of 151% in fiscal 2022 to reach ₹ 1.6 lakh crore.



Note: Above dates represent annual data of financial assets

Source: RBI, CRISIL MI&A

**MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)**

- Inflows in mutual funds to strengthen with retail participation:** Total AUM of retail investors stood at ₹ 10,07,230 crore as on 31st March, 2023. It was mainly driven by interest of retail investors in equity oriented and gold ETF mutual fund schemes. Total AUM of retail investors in equity schemes amounted to ₹ 8,15,404 crore and accounted for 81.0% of the total retail investors' AUM at the end of March 2023.

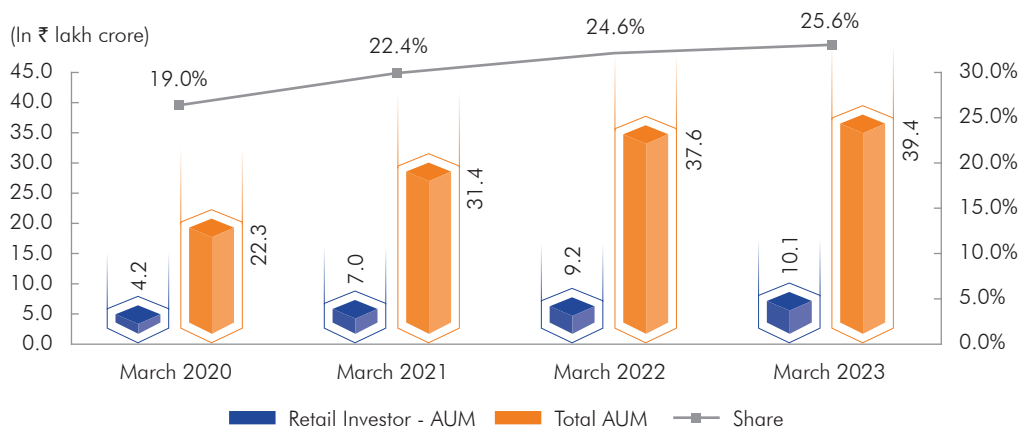
Scheme-wise distribution of aggregate AUM of retail investors and number of folios as of 31st March, 2023

| Type of Scheme | AUM (In ₹ crore) | % of total | No. of Folios | % of total |
|---|---------------------|------------|---------------------|------------|
| Liquid Fund/Money Market Fund/ Floater Fund | 9,819 | 1.0% | 23,60,672 | 1.8% |
| Gilt Fund | 1,345 | 0.1% | 1,74,407 | 0.1% |
| Remaining Income/ Debt Oriented Schemes | 21,529 | 2.1% | 26,59,907 | 2.0% |
| Growth/ Equity Oriented Schemes | 8,15,404 | 81.0% | 9,15,23,742 | 68.9% |
| Hybrid Schemes | 1,00,034 | 9.9% | 92,98,705 | 7.0% |
| Solution Oriented Schemes | 22,630 | 2.2% | 55,80,778 | 4.2% |
| Index Funds | 2,534 | 0.3% | 46,38,968 | 3.5% |
| Gold ETF | 17,681 | 1.8% | 35,53,113 | 2.7% |
| ETFs (other than Gold) | 9,720 | 1.0% | 1,18,35,882 | 8.9% |
| Fund of Funds investing Overseas | 6,535 | 0.6% | 11,58,721 | 0.9% |
| TOTAL | 10,07,230 | | 13,27,84,895 | |

Note: Quarterly Average AUM data has been considered

Source: AMFI, CRISIL MI&A

Share of retail investors' AUM in total AUM for all investors has been rising since last three years and reached 25.6% in March 2023



Note: Year in above chart represents calendar year

Source: AMFI, CRISIL MI&A

In the long term, with expectations of higher returns from the capital markets, the fund flow into equity funds is expected to be high. Increasing share of mutual funds in the financial savings of households, driven by expectations of higher and stable returns, is a key factor that is expected to contribute to fund inflows, especially into passive and equity fund categories.

- Factors such as financial awareness and retirement planning to further contribute to the growth of Indian mutual fund industry:** The low mutual fund penetration in India is largely due to the lack of awareness. However, the situation is changing for better with various government initiatives towards investor education and awareness. SEBI has directed AMC's to annually set aside at least 2 basis points ("bps") of their daily net assets for spending on investor-education initiatives such

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

as boosting awareness about capital market investment products. Such spending is expected to rise along with growing industry AUM, thereby helping deepen mutual fund penetration among new investors, particularly in B30 markets. The popularity of ELSS, a mutual fund product that helps investors save income tax under Section 80C of the Income Tax Act, 1961, has also grown. CRISIL MI&A believes that investor education, coupled with better risk management and transparency within the mutual fund industry, will boost investor confidence and lead to increased investments and growth in the industry. Moreover, retirement has the potential to significantly improve penetration among households. EPFO's move to invest 15% of its fresh accretion into ETFs has boosted the industry, thereby illustrating how mutual funds can be promoted as a vehicle for retirement planning in India. The substantial proportion of young population offers huge potential for retirement planning.

Key Challenges and threats

- **Removal of indexation benefits on debt mutual funds:** The government in Budget 2023 brought amendments as per which no Long-term Capital Gains (LTCG) tax benefits will be applicable to debt mutual funds, gold funds, exchange-traded funds, international funds and certain category of hybrid mutual funds. With effect from 1st April, 2023, capital gains made on such mutual funds will be added to income and taxed as per the slab rates applicable. Hence, removal of indexation benefit on debt mutual funds may pose a challenge in near to medium term.
- **AMCs across India are now facing challenge from the rising pressure from margins:** Pricing pressure as a result of competition as well as larger share of passive funds may adversely affect the profitability of Indian AMCs in future. This margin pressure has been created by rising trend in low-cost mutual funds and increasing passive funds in India. For instance, some mutual fund companies launched index funds with total expense ratio of as low as 0.06-0.12%.
- **Technological shifts in Indian mutual fund industry:** There is a paradigm change in the way technology and automation are being embedded in the industry with rapid increase of AI-based services, chat bots, intelligent agents, digital assistants and many other app-driven services. Likewise, there has been a rise in do it yourself (DIY) investors, some of whom prefer to directly invest in the markets instead of opting for the mutual fund route. AMCs in India will need to constantly innovate to foster seamless services, generate alpha and provide ease of investing to overcome this behavioural shift. However, it is also feared that increased implementation and usage of advanced technologies such as robo-advisors may disrupt the industry leading to loss of jobs. It is important to strike a balance so that use technology can stimulate the growth and bring in more efficiencies in the industry rather than disruptions.
- **Continued volatility in stock market may restrict participation of retail investors:** Retail participation and inflows into mutual funds and other market-linked products are heavily influenced by market performance and sentiment as witnessed in fiscal 2023. If high volatility in stock market continues in fiscal 2024, then it could make investors shy away from market-linked products and push them towards assets that are considered to be more risk-averse.
- **High interest rates will continue to pose a challenge for debt mutual funds in India:** Interest rate hikes affect both debt and equity markets. The Reserve Bank of India's (RBI's) Monetary Policy Committee ("MPC") raised policy rates by 40 bps in May 2022. This was followed by 50 bps in June 2022, 50 bps in August 2022, 50 bps in September 2022, 35 bps in December 2022 and another hike of 25 bps in February 2023, thus bringing the repo rate to 6.5%. The rate hikes are expected to stand till the end of fiscal 2024. Hence, it would continue to pose risks for mutual funds industry in India. Long-term debt schemes are expected to suffer the most as high interest rates drags down their returns.
- **Low financial literacy keeps clogging the growth of Indian mutual fund industry:** Unless addressed properly, low financial literacy and the lack of awareness is expected to continue hindering the mutual fund industry from capitalising on the full potential of the Indian economy. Mutual funds and other market-linked products need to gain more prominence in India. Regular interactions with the investor community will play a critical role in building trust, retaining investors and increasing penetration. Development of new distribution channels, education initiatives and greater focus on retirement planning will be critical for the mutual fund industry to realise its full potential.
- **AMCs hesitate retail expansion into B30 markets due to high cost:** Expanding into the B30 markets requires substantial investments in marketing and distribution, which could exert pressure on profit margins of fund houses. Innovative mobile/online interfaces to reach out to consumers in these markets could reduce the cost of customer acquisition, compliance and other processes. Further, optimal utilisation of the branch network of banks is expected to play an important role in finding the right balance between online interface and in-person interaction.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

DEBT MARKET OVERVIEW AND OUTLOOK

In fiscal 2023, India faced volatility in commodity prices and tightening of liquidity. RBI raised policy rates by 250 bps in fiscal 2023, thus bringing the repo rate to 6.5%. The hike in interest rate was a response to both domestic elevated inflation and spill-over risks arising out of aggressive monetary tightening by major central banks.

Debt mutual fund AUM stood at ₹ 6.1 lakh crore in fiscal 2023 as against ₹ 8.0 lakh crore in fiscal 2022. Fiscal 2023 witnessed net outflow of ₹ 1.1 lakh crore in debt mutual fund due to rise in interest rate, lower than trend returns and expectations of policy normalisation on account of rising inflation. The segment witnessed mark-to-market loss of 9.6% in fiscal 2023.

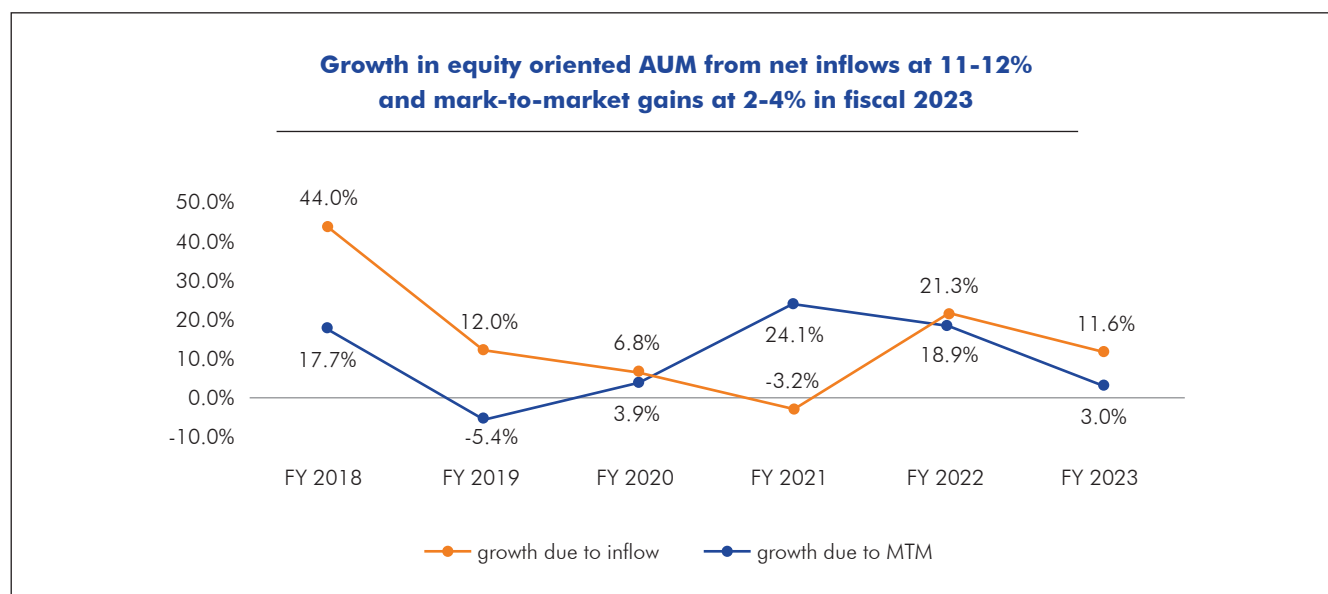
CRISIL MI&A expects fiscal 2024 to be moderately better year for the fixed income segment, as inflation is expected to cool down by the end of fiscal 2024 and no further hike is expected in the interest rates.

EQUITY MARKET OVERVIEW AND OUTLOOK

Indian benchmarks closed fiscal 2023 with 3.7% and 2.1% yearly returns on the Sensex and Nifty, respectively. Despite markets rising to historical highs in November 2022, yearly returns were capped because of heavy losses in Indian markets in the last quarter. The performance of Indian benchmarks in fiscal 2023 was relatively poor compared to the previous fiscal on account of high inflation across the globe, aggressive rate hikes by central banks and uncertainty caused by the Russia-Ukraine conflict.

Equity mutual funds AUM grew from ₹ 13.6 lakh crore in fiscal 2021 to ₹ 22.0 lakh crore in fiscal 2023. Fiscal 2023 witnessed net inflow of ₹ 2.2 lakh crore in equity fund AUM due to good performance by Indian corporates and increased participation of individual investors.

CRISIL MI&A expects equity fund AUM to grow in double-digits in the long-term as government policies and positive economic growth are expected to keep the investors' sentiments upbeat. However, in medium term external shocks due to global slowdown to remain a key monitorable.



Note: MTM - Mark-to-market

Source: AMFI, CRISIL MI&A

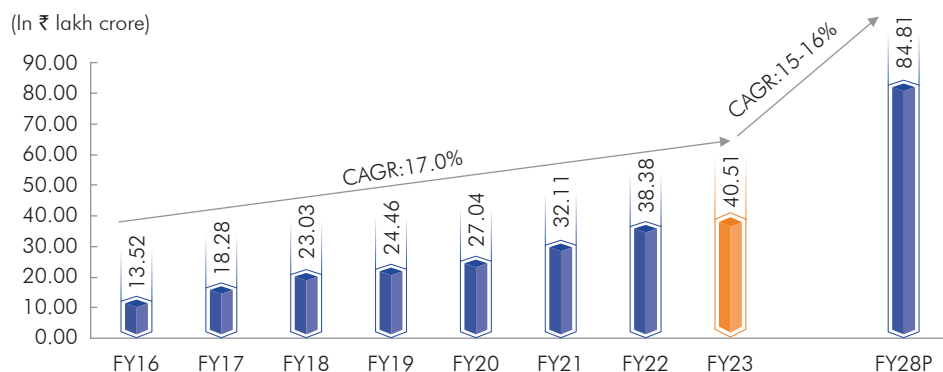
OUTLOOK FOR THE MUTUAL FUND INDUSTRY

In the long-term, i.e., between fiscal 2023 and fiscal 2028, the overall mutual fund industry's AUM is projected to sustain a high growth trajectory of 15-16% CAGR, reaching approximately ₹ 85 lakh crore. This growth is expected to be driven by:

- Pick-up in corporate earnings following continued economic growth
- Higher disposable income and investable household surplus
- Increase in aggregate household savings and share of financial savings within the savings pie
- Deeper regional penetration as well as better awareness of mutual funds as an investment vehicle
- Continuous improvement in ease of investing, with technological innovations and expanding internet footprint
- Perception of mutual funds as long-term wealth creators driven by 'Mutual Fund Sahi Hai' campaign

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Mutual fund AUM expected to reach approximately ₹ 85 lakh crore in fiscal 2028



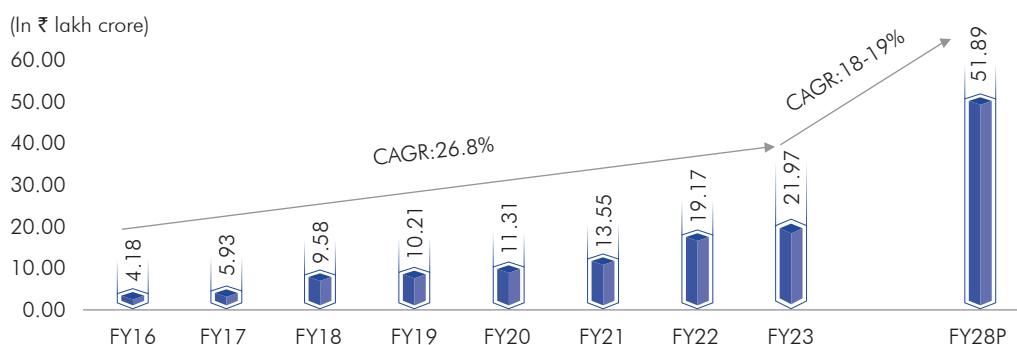
Note: P: Projected; AUM is the average of last quarter for each Fiscal, AUM excluding FoFs – domestic but including FoFs– overseas;

Source: AMFI, CRISIL MI&A

Equity AUM to grow at 18-19% between fiscal 2023 and fiscal 2028

In fiscal 2023, quarterly average equity AUM grew by 14.6% on-year to reach ₹ 21.97 lakh crore. CRISIL MI&A expects the Equity AUM to grow at 18-19% CAGR, the second fastest growth amongst all MF categories, over March 2023 to March 2028. ETFs are expected to grow the fastest, clocking a 23% CAGR over the next 5 years, as passive investing continues to grow in popularity.

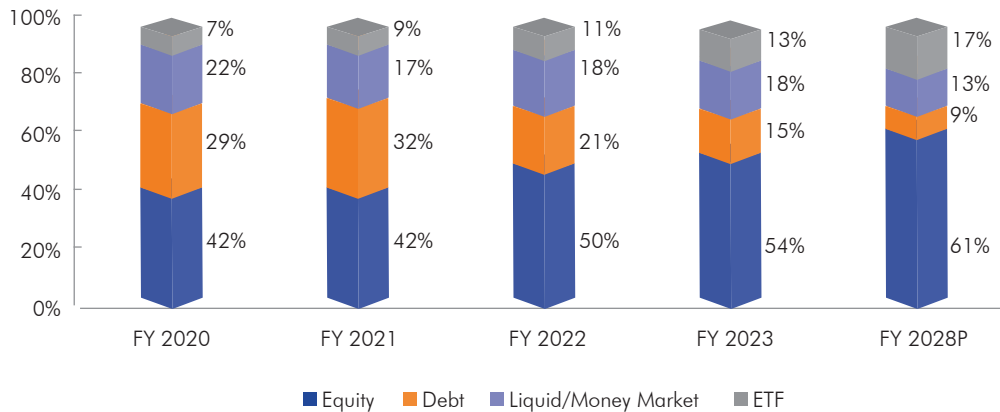
Growth trend shows equity AUM to reach approximately ₹ 52 lakh crore in fiscal 2028



Note: P: Projected, As per quarterly average AUM; equity includes equity funds, ELSS, index funds, solution-oriented funds and balanced funds AUM excluding Fund of Funds – Domestic but including Fund of Funds – Overseas; Source: AMFI, CRISIL MI&A

Debt mutual funds declined in fiscal 2023. Over March 2023 to March 2028, CRISIL MI&A expects the segment to grow at a slower rate of 3-4% CAGR as debt mutual funds will continue to get affected due to high interest rate scenario in the medium term. Moreover, with effect from 1st April, 2023, the government removed the indexation benefits on Long-term Capital Gain on debt mutual funds. This is expected to have some impact on the growth of debt mutual funds in the near to medium term.

Quarterly average liquid/money market funds grew by 3.7% in fiscal 2023 due to heavy outflows. CRISIL MI&A expects the segment to grow at approximately 9-10% CAGR between March 2023 to March 2028.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)
Equity AUM to continue to grow from 54% of overall AUM in fiscal 2023 to 61% in fiscal 2028


Note: P: Projected, the data is as per quarterly average AUM. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.
Source: AMFI, CRISIL MI&A

Trend in AUM as well as growth across mutual fund segments till March 2028 (In ₹ lakh crore)

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | YoY growth (Mar 21- Mar 22) | YoY growth (Mar 22- Mar 23) | March 2028P | CAGR (FY 2023-28) |
|--------------------------|-------------|-------------|-------------|-----------------------------------|-----------------------------------|-------------|----------------------|
| Equity | 13.6 | 19.2 | 22.0 | 41.5% | 14.6% | 51.9 | 18.8% |
| Debt | 10.2 | 8.0 | 6.1 | (21.3%) | (23.5%) | 7.4 | 3.8% |
| Liquid/ Money | 5.5 | 7.0 | 7.3 | 27.0% | 3.7% | 11.2 | 9.0% |
| ETFs | 2.9 | 4.1 | 5.1 | 43.4% | 23.4% | 14.3 | 22.9% |
| TOTAL | 32.1 | 38.4 | 40.5 | | | 84.8 | |

Note: P: Projected; As per quarterly average AUM. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.

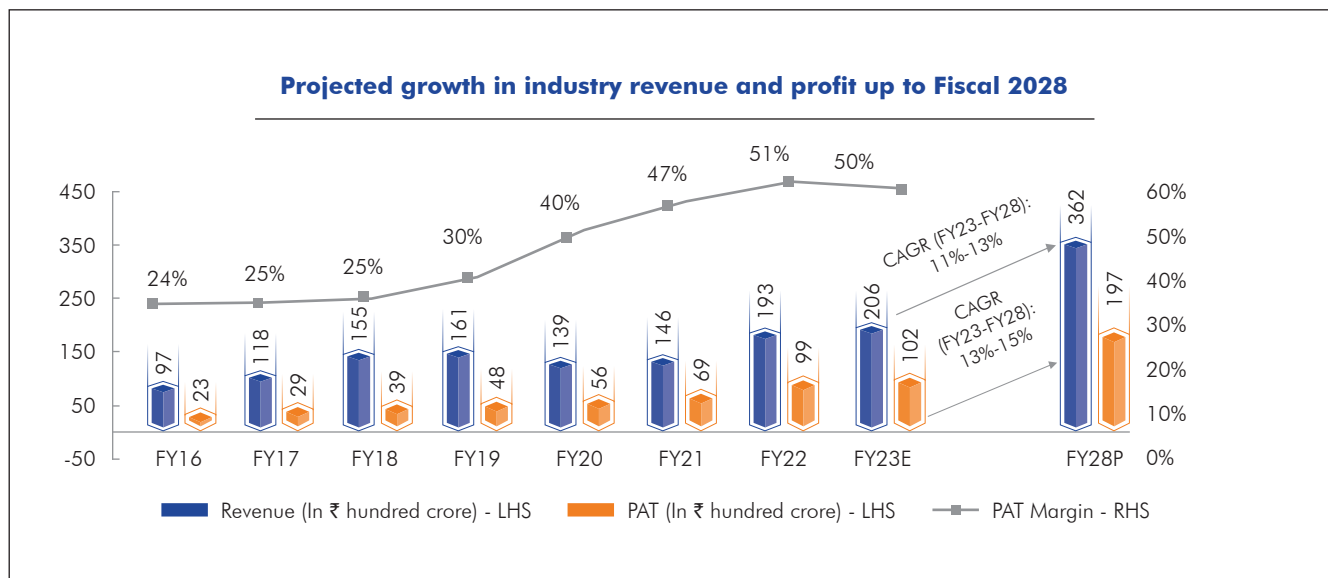
Source: AMFI, CRISIL MI&A

Mutual Fund Industry revenues to grow at 11%-13% CAGR and PAT to grow at 13%-15%

In fiscal 2023, asset management companies in India are estimated to have recorded their highest ever profits at ₹ 10,200 crore as against ₹ 9,900 crore in fiscal 2022, which is around 3.1% year-on-year growth. Revenues are also estimated to have risen at 6.5% to reach ₹ 20,600 crore in fiscal 2023 as against ₹ 19,300 crore in fiscal 2022. However, revenues and profits grew at a slower rate in fiscal 2023 on account of higher base in fiscal 2022. Nevertheless, growth in revenues was mainly driven by increased participation of retail investors, rise in AUMs and improved financial literacy. We expect the industry's revenue to clock a CAGR of 13-15% from ₹ 20,600 crore in fiscal 2023 to approximately ₹ 35,000-37,000 crore by fiscal 2028, driven by growth in AUM (mainly in equity funds) and incremental re-allocation of AUM from fixed income to equity-oriented funds, which usually charge higher investment management fee (on actively managed equity funds) than other categories. In addition, increased contribution from SIPs and other revenue streams, including portfolio management services (PMS), alternative investment funds (AIFs) and offshore advisory services, are expected to supplement core growth at a healthy pace, driven by a growing appetite for high-ticket investments in the high net-worth individuals (HNI) segment.

We expect the industry's profitability to improve and net profit to grow at a CAGR of 13-15% from fiscal 2023 to approximately ₹ 19,000-₹ 21,000 crore by fiscal 2028. While the asset management fee is expected to decline with an increase in fund sizes as also rising trend of low-cost ETFs and passive funds, increasing competition and tighter TER regulations and increasing marketing spends; higher operating leverage with AUM moving northward, increase in employee efficiency and operating efficiency with technological advancements would propel profitability.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



Note: E: Estimated; P – Projection

Source: AMC annual reports, CRISIL MI&A

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MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

COMPANY OVERVIEW

Business Overview

UTI AMC is among the leading players in the Mutual Fund Industry in India with a total AUM of ₹ 15.56 lakh crore. It ranks eighth among leading AMC's in terms of Mutual Fund QAAUM with ₹ 2.39 lakh crore as of 31st March, 2023. With a rich legacy of around 60 years, we are dedicated to furthering our vision of being the most preferred asset manager. Our extensive product range allows us to cater to our diverse investor base and hence facilitate their journey of wealth creation.

Risks and Concerns

The Company follows a methodical process for recognising and mitigating risks. A detailed risk management framework outlines the specific duties and obligations for each management level in the organisation. All inherent risks are assessed, tracked, and regularly communicated to Management. The Company has effective plans in place to address potential risks based on their likelihood, potential impact, and volatility. Any new or developing risks are reviewed on a regular basis with the Management and the Risk Management Committee of the Board to ensure proper control measures are in place.

Internal Control Systems and Adequacy

Our internal controls are aligned with the needs of our business operations and are appropriate for the applicable regulations, resulting in a smooth and effective conduct of our business. These controls are in place to ensure that our assets are protected, errors and frauds are detected and prevented, and our financial statements are reliable. The Audit Committee oversees all procedures to ensure proper authorisation, documentation, description, and monitoring. Furthermore, our Company has a state-of-the-art infrastructure with automated operations for accounts and management information systems.

Operational Performance

Mutual Fund

As of 31st March, 2023, UTI AMC is responsible for managing 68 mutual fund schemes in India, which include Equity, Fixed Income, Liquid, Hybrid and Solutions, ETFs & Index Funds and FoF. The total Quarterly Average Assets Under Management (QAAUM) for all of these schemes is ₹ 2.39 lakh crore.

Portfolio Management Services

Our Portfolio Management Services (PMS) business, which was launched in 2004, is an important service that we offer to our esteemed clients. As of 31st March, 2023, the PMS business had a total Assets Under Management (AUM) of ₹ 10.53 lakh crore under discretionary, non-discretionary and advisory mandates. Our goal is to provide investment solutions that align with our clients' risk profile and return expectations, utilising research-based valuation and security selection techniques.

We offer Discretionary PMS to the Employees' Provident Fund Organisation (EPFO), the Coal Mines Provident Fund Organisation (CMPFO), the Employees' State Insurance Corporation (ESIC), and the National Skill Development Fund (NSDF), Non-Discretionary PMS to the Directorate of Postal Life Insurance (PLI), and Advisory PMS to various offshore accounts.

Human Resources

In FY 2022-23, we welcomed several campus hires to the workforce, of which nearly half were women. We have also made conscious efforts to optimally use the online professional networks and other niche platforms for recruiting fine and accomplished talent. UTI has always given special emphasis to cross functional hiring from within the organisation which has helped deserving employees widen their skills set and to retain key talent within the Company.

During the last fiscal, our efforts were aligned towards upskilling employees across different career stages through meticulous trainings and programmes. These workshops were aimed to provide holistic growth to new hires through various mentorship sessions and to enable our experienced cadre to be the leaders of tomorrow. Our senior leadership has been a pillar of our enduring success and many workshops with Ivy League colleges have been conducted to provide them with necessary resources to execute their vision for the organisation. Digital has been a key area to bring ease for our employees through cutting edge technology and cloud based applications. Our training modules are closely aligned with the changing trends shaping the future of the industry.

Our organisation's culture strongly adheres to merit based performance and recognitions. While we provide our employees with a conducive environment that can help them nurture, the merit and transparency based evaluation coupled with round-the-year feedback keeps them motivated to put their best foot forward and give exemplary performance.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

As we give a lot of thrust to learning and execution, we also keep a very close watch on the well being of our employees. UTI offers many extensive benefits to its members; for instance, our insurance and child birth benefits are among the best in the industry. To build closely knit bonds, we organise many central and regional events based on sports, culture and others to give them a perfect ambience for such camaraderie.

As of 31st March, 2023 UTI AMC had a strength of 1,377 employees.

Financial Performance Review

Consolidated Financial Performance Review

| Particulars | FY 2021-22 | FY 2022-23 |
|------------------------------------|------------|------------|
| Current Ratio | 10.71 | 13.84 |
| Operating Profit Margin (%) | 40.38 | 37.73 |
| Net Profit Margin (%) | 40.25 | 33.90 |
| Return on Equity (%) | 15.52 | 11.68 |

Total Income

Total income for the fiscal year ended 31st March, 2023 was ₹ 1,290.09 crore, a decrease of ₹ 37.18 crore, or 2.80%, from ₹ 1,327.27 crore for the fiscal year ended 31st March, 2022. This decrease is primarily due to decrease in net gain on fair value changes. Sale of service as a percentage of total income was 87.70% for fiscal year ended 31st March, 2023 as compared to 84.30% in fiscal year ended 31st March, 2022.

Revenue from Operations

Revenue from operations for the fiscal year 31st March, 2023 stood at INR 1,266.86 crore. The decrease is on account of lower mark to market gain on treasury investment.

Other Income

For the fiscal ended 31st March, 2023 other income was ₹ 23.23 crore, an increase of ₹ 15.04 crore, or 183.64%, from ₹ 8.19 crore for the fiscal year ended 31st March, 2022. The principal reason behind this is the interest received from investments in bonds & government securities which were absent in the previous year.

Expenses

Fees and Commission Expenses: Fees and commission expenses increased by ₹ 0.24 crore, or 9.06%, from ₹ 2.65 crore in the fiscal year ended 31st March, 2022 to ₹ 2.89 crore in the fiscal year ended 31st March, 2023. This was primarily a result of increase in business support service fees paid to UTI International Limited which is in tandem to the increase in advisory fees received from them.

Finance Cost: Finance cost increased by ₹ 0.37 crore or 4.03% from ₹ 9.18 crore in the fiscal year ended 31st March, 2022 to ₹ 9.55 crore in the fiscal year ended 31st March, 2023. This was mainly because of addition & modification in existing lease agreements.

Employee Benefit Expenses: Employee benefit expenses increased by ₹ 7.82 crore or 1.92% from ₹ 406.71 crore in the fiscal year ended 31st March, 2022 to ₹ 414.53 crore in fiscal year ended 31st March, 2023. This was mainly because of increase in employee cost in offshore, NPS & AIF businesses. Employee benefit expenses as a percentage of total income stood at 32.13% for the fiscal year ended 31st March, 2023 compared to 30.64% for the fiscal year ended 31st March, 2022.

Depreciation and Amortisation Expenses: Depreciation and amortisation expenses increased by ₹ 3.12 crore or 8.47% from ₹ 36.82 crore in the fiscal year ended 31st March, 2022 to ₹ 39.94 crore in the fiscal year ended 31st March, 2023. This was mainly because of higher capitalisation of building, various office equipment, furniture & fixture and computer & laptops. Depreciation and amortisation expenses as a percentage of total income stood at 3.10% for the fiscal year ended 31st March, 2023 compared to 2.77% for the fiscal year, ended 31st March, 2022.



MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Other Expenses: Other expenses increased by ₹ 25.83 crore or 12.20% from ₹ 211.73 crore in the fiscal year ended 31st March, 2022 to ₹ 237.56 crore in fiscal year ended 31st March, 2023. This was mainly because of increase in PFRDA fees in NPS business, travelling and conveyance charges, membership fees and subscription charges, advertisement & business promotion expenses, repair & maintenance expenses and legal fees. Other expenses as a percentage of total income was 18.41% for the fiscal year ended 31st March, 2023 compared to 15.95% for the fiscal year ended 31st March, 2022.

Profit Before Tax: Profit before tax for the fiscal year ended 31st March, 2023 was ₹ 585.62 crore, a decrease of ₹ 74.56 crore, or 11.29%, from ₹ 660.18 crore for the fiscal year ended 31st March, 2022. This decrease is primarily due to decrease in net gain on fair value changes and increase in employee benefit expenses, depreciation, amortisation and impairment expenses and other expenses. As a percentage of total income, profit before tax was 45.39% in the fiscal year ended 31st March, 2023 and 49.74% in the fiscal year ended 31st March, 2022.

Tax Expenses: In the fiscal year ended 31st March, 2023 our tax expenses increased by ₹ 20.35 crore or 16.20% from ₹ 125.59 crore in the fiscal year ended 31st March, 2022 to ₹ 145.94 crore in fiscal year ended 31st March, 2023. The decrease in the current tax was ₹ 9.27 crore or 6.36% from ₹ 145.65 crore in the fiscal year ended 31st March, 2022 to ₹ 136.38 crore in fiscal year ended 31st March, 2023. This was mainly because of decrease in our profit before tax. Deferred tax expenses have increased by ₹ 29.68 crore or 147.51% from deferred tax assets of ₹ 20.12 crore in the fiscal year ended 31st March, 2022 to deferred tax liabilities of ₹ 9.56 crore in fiscal year ended 31st March, 2023 mainly because of decrease in revenue from net gain on fair value changes on investments.

Profit After Tax: Profit after tax for the fiscal year ended 31st March, 2023 was ₹ 437.36 crore, a decrease of ₹ 96.93 crore, or 18.14%, from ₹ 534.29 crore for the fiscal year ended 31st March, 2022. This decrease was primarily due to decrease in total income in fiscal year ended 31st March, 2023 as compared to fiscal year ended 31st March, 2022. As a percentage of total income, profit after tax was 33.90% in the fiscal year ended 31st March, 2023 and 40.25% in the fiscal year ended 31st March, 2022.

Cautionary Statement

The statements in the Management Discussion and Analysis section describing organisational objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results, are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievement may thus, differ materially from those projected in such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events. To avoid duplication and repetition, certain heads of information required to be disclosed in the Management Discussion and Analysis have been included in the Board's Report.



CORPORATE GOVERNANCE REPORT FOR FINANCIAL YEAR 2022-23

In accordance with Regulation 34(3) read with Clause (C) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), the Corporate Governance Report of UTI Asset Management Company Limited (the Company / UTI AMC) for the financial year (FY) 2022-23 is presented below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is a professionally managed asset management company led by its proficient Board of Directors (the Board) having expertise in diverse fields and a dedicated management team having requisite talent and experience. The Company firmly believes to operate its business in a robust and compliant environment. Accordingly, the Company's corporate governance practices are in line with the Companies Act, 2013 (the Act) read with Rules made thereunder, the SEBI Listing Regulations, Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the SEBI Mutual Funds Regulations), Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 and other applicable regulations / circulars / notifications issued by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

The Company focuses on implementing good corporate governance practices by adopting a business model which involves ESG (Environment, Social and Governance) factors as well, emphasizes on stewardship activities, establishing effective risk management system and maintaining transparency & integrity. The Company's corporate governance practices emphasizes on implementation of sound management practices throughout the organization; and ensures compliance with the applicable laws coupled with adherence to the highest standards of transparency and business ethics.

The Company's vision is to be the most preferred mutual fund. UTI AMC strongly believes in inculcating faith and loyalty towards its investors and all the other stakeholders. The Company's vision, therefore, propels to conduct its operations by abiding strong governance practices.

The Company's corporate governance framework *inter-alia* focuses on:

1. long-term value creation for all its stakeholders;
2. continuous engagement with its stakeholders;
3. protection of rights of all stakeholders;
4. independent functioning of Board and its Committees from management;
5. implementing appropriate controls and procedures to oversee the management's activities for running day-to-day operations of the Company;
6. ESG policies & practices; and
7. transparent and consistent reporting of Company's governance activities as well as its operating and financial

activities to members and other stakeholders in a fair, accurate, timely, reliable, complete and verifiable manner.

BOARD OF DIRECTORS

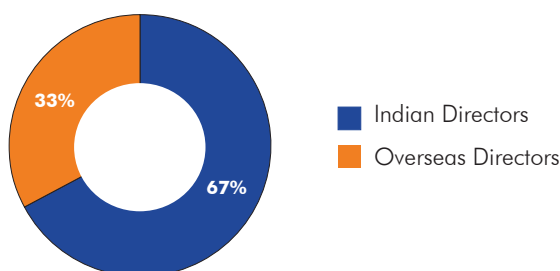
UTI AMC is a professionally managed company functioning under the overall supervision of the Board. The Board has the responsibility of framing long-term business strategy, enhancing shareholder value and overseeing the interests of all stakeholders, effective management and monitoring the effectiveness of Company's corporate governance practices. The Board reviews the governance policies and processes periodically in the context of current corporate governance trends, regulatory changes and best practices. The Company's Board is well informed and independent, which is necessary to ensure the highest standards of Corporate Governance.

1. Board Diversity:

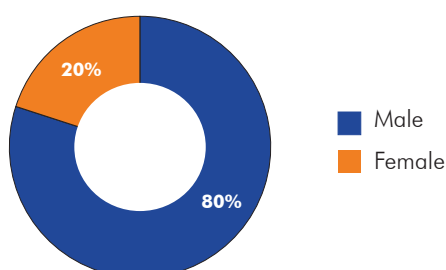
The Company recognizes that diversity at Board is essential in view of the current business environment, greater social responsibility, increasing emphasis on corporate governance, need for addressing concerns of diverse stakeholders and managing risks in the business effectively. A Board comprised of qualified and skilled directors with a broad range of experience relevant to the business, diverse culture, geographical background and age irrespective of race, caste, creed, religion, gender *etc.* is important for effective corporate governance and sustained commercial success of a company.

The Company has a 'Board Diversity Policy' which sets out its approach to diversification at Board level. The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

Geographical Representation



Board Gender diversity (in %)



CORPORATE GOVERNANCE REPORT (Contd.)

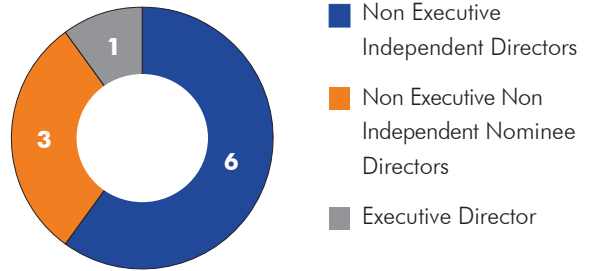
2. Board Composition:

The Board comprises of eminent and distinguished personalities with proficiency and vast experience in diversified sectors with an optimum mix of Executive, Non-Executive Non-Independent and Independent Directors in accordance with provisions of the Act, the SEBI Listing Regulations and other applicable statutory, regulatory and contractual obligations.

As on 31st March, 2023, the Board comprised of 10 (ten) Directors, consisting of 6 (six) Independent Directors [including 2 (two) Independent Women Directors], 3 (three) Non-Executive Nominee Directors and 1 (one) Executive Director (Managing Director). The Chairperson of the Company is Non-Executive Independent Director and is not related to the Managing

Director (MD) and Chief Executive Officer (CEO). The brief profile of all the directors is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/board-of-directors/>.

Composition of Board of Directors



The details of composition of board, category of directorship, number of shares held in the Company, number of other directorships and committee positions held in other Indian public companies and directorships in listed entities as on 31st March, 2023 are provided herein below:

| Name of Director | DIN | Category of Directorship | No. of shares held in the Company | No. of Directorship in other public Companies ⁽¹⁾ | No. of Committee positions held in other Indian public Companies ⁽²⁾ | | Other listed entities | |
|--|----------|---|-----------------------------------|--|---|--------|---|---|
| | | | | | Chairperson | Member | Name | Category of Directorship |
| Mr. Dinesh Kumar Mehrotra | 00142711 | Non-Executive Chairman and Independent Director | 810 | 4 | - | 3 | V L S Finance Limited SBI Cards and Payment Services Limited Computer Age Management Services Limited | Independent Director Independent Director Chairman and Independent Director |
| Mr. Edward Cage Bernard (Representative of T. Rowe Price International Ltd) | 08243277 | Non-Executive Nominee Director | Nil | - | - | - | - | - |
| Mr. Flemming Madsen ⁽³⁾ (Representative of T. Rowe Price International Ltd) | 02904543 | Non-Executive Nominee Director | Nil | - | - | - | - | - |
| Mr. Narasimhan Seshadri | 03486485 | Non-Executive Independent Director | 351 | 1 | - | 1 | - | - |
| Mr. Deepak Kumar Chatterjee | 03379600 | Non-Executive Independent Director | Nil | 1 | - | - | V L S Finance Limited | Independent Director |
| Mr. Rajeev Kakar | 01888608 | Non-Executive Independent Director | Nil | - | - | - | - | - |
| Ms. Dipali Sheth | 07556685 | Non-Executive Independent Director | Nil | 5 | - | 5 | DFM Foods Limited Latent View Analytics Limited Adani Wilmar Limited | Independent Director Independent Director Independent Director |
| Ms. Jayashree Vaidhyanathan | 07140297 | Non-Executive Independent Director | Nil | 1 | - | 2 | - | - |
| Mr. Kiran Kumar Tarania ⁽⁴⁾ (Representative of Punjab National Bank) | 09637366 | Non-Executive Nominee Director | Nil | - | - | - | - | - |
| Mr. Imtaiyazur Rahman ⁽⁵⁾ | 01818725 | Managing Director & Chief Executive Officer | 1,971 | 2 | - | 1 | - | - |

CORPORATE GOVERNANCE REPORT (Contd.)

Notes:

- (1) The directorship in UTI Asset Management Company Limited, in private companies (including deemed public company), foreign companies, bodies corporate and companies under Section 8 of the Act is not considered while counting number of directorships in other public companies.
- (2) Membership / Chairpersonship in the Audit Committee and Stakeholders Relationship Committee of Indian public companies (excluding UTI Asset Management Company Limited) is considered while counting the number of committee positions held in other Indian public company.
- (3) Mr. Flemming Madsen (DIN: 02904543) retired by rotation at the 19th Annual General Meeting (AGM) of the Company and the members had approved his appointment as a Nominee Director (Non-Executive Category) of the Company with effect from 26th July, 2022, liable to retire by rotation.
- (4) Mr. Sanjay Varshneya (DIN: 08161701) resigned from the Board of the Company with effect from 26th July, 2022. Mr. Kiran Kumar Taranian (DIN: 09637366) was appointed as an Additional Director (Nominee Non-Executive Category) by the Board with effect from 26th July, 2022 and his appointment was regularized by members through postal ballot passed on 12th October, 2022.
- (5) Mr. Imtaiyazur Rahman (DIN: 01818725) was appointed as Managing Director of the Company with effect from 26th July, 2022 to 12th June, 2024, not liable to retire by rotation. Accordingly, he was re-designated as Managing Director & Chief Executive Officer.

None of the directors is a member in more than 10 (ten) committees or chairman / chairperson in more than 5 (five) committees across all the Indian public companies in which he / she is a director.

3. Disclosure of *inter-se* relationships between directors:

None of the directors have any *inter-se* relationship amongst each other. The Company doesn't have pecuniary relationship with any of the Independent Directors except for payment of sitting fees and reimbursement of expenses for attending Board / Committee(s) meetings, if any.

The directors are not related to each other within the meaning of the term "Relative" as per Section 2 (77) of the Act.

4. Director Engagement:

The Company has organized Board and Committee meetings at regular intervals to discuss and approve its business strategy as well as other statutory and general matters. The Board periodically reviews the compliance status with all applicable statutory laws, acts, rules & regulations, policies *etc.* and steps taken by the Company to rectify the instances of non-compliance, if any.

The MD & CEO and senior management updates the Board / Committee(s) on various matters including the financials, operations related matters, risk management, the economic & regulatory changes and other business matters.

The Company had provided the facility to the directors and committee members to attend meetings of the Board / Committee(s) either in person or through video conference during the FY 2022-23 in accordance with the circulars issued by MCA and SEBI.

The Board met 11 (eleven) times during the FY 2022-23. In addition to the above, a joint meeting of Board of UTI AMC and UTI Trustee Company Private Limited (Trustees of UTI Mutual Fund) was held on 20th October, 2022 and all the directors had participated in the said joint meeting. During the joint meeting, the Boards had discussed and deliberated on various business, financial, operational and compliance matters.

The details of the directors' attendance at the Board meetings and AGM held during the FY 2022-23:

| Name of Director | Date of the Board Meeting | | | | | | | | | | | No. of Board Meetings during FY 2022-23 | | Attendance at the 19th AGM |
|---------------------------|---------------------------|----------------|-----------------|-----------------|-----------------|--------------------|---------------------|---------------------|--------------------|--------------------|------------------|---|----------|----------------------------|
| | 26th April, 2022 | 26th May, 2022 | 20th June, 2022 | 21st June, 2022 | 26th July, 2022 | 20th October, 2022 | 18th November, 2022 | 14th December, 2022 | 20th January, 2023 | 1st February, 2023 | 21st March, 2023 | Held | Attended | 25th July, 2022 |
| Mr. Dinesh Kumar Mehrotra | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |
| Mr. Edward Cage Bernard | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | 11 | 10 | Yes |
| Mr. Flemming Madsen | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | 11 | 10 | No |
| Mr. Narasimhan Seshadri | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |

CORPORATE GOVERNANCE REPORT (Contd.)

| Name of Director | Date of the Board Meeting | | | | | | | | | | | No. of Board Meetings during FY 2022-23 | | Attendance at the 19th AGM |
|-----------------------------|---------------------------|----------------|-----------------|-----------------|-----------------|--------------------|---------------------|---------------------|--------------------|--------------------|------------------|---|----------|----------------------------|
| | 26th April, 2022 | 26th May, 2022 | 20th June, 2022 | 21st June, 2022 | 26th July, 2022 | 20th October, 2022 | 18th November, 2022 | 14th December, 2022 | 20th January, 2023 | 1st February, 2023 | 21st March, 2023 | Held | Attended | 25th July, 2022 |
| Mr. Deepak Kumar Chatterjee | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |
| Mr. Rajeev Kakar | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |
| Ms. Dipali Sheth | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |
| Ms. Jayashree Vaidhyanathan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |
| Mr. Sanjay Varshneya | ✓ | ✓ | ✗ | ✗ | NA | NA | NA | NA | NA | NA | NA | 4 | 2 | No |
| Mr. Kiran Kumar Tarania | NA | NA | NA | NA | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | 7 | 6 | NA |
| Mr. Imtaiyazur Rahman | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 11 | 11 | Yes |

NA: Not applicable ✓: Attended ✗: Not attended

5. Board Skills:

The following chart / matrix summarizes the key skills / expertise / qualifications / competencies required in the context of the Company's business and industry:

| Sr. No. | Category | Skills / Expertize / Qualifications / Competencies |
|---------|--------------------------------|--|
| 1. | Leadership | Corporate Strategy & Planning |
| | | Strategic Alliances & Management |
| | | Business Development |
| | | Management Consulting |
| | | Talent Management |
| 2. | Board Expertize and Governance | Prior Directorship Experience |
| | | Regulatory affairs & Compliance |
| | | Risk Management |
| | | Audit & Taxation |
| | | Stakeholders Engagement |
| 3. | Industry Knowledge / Expertize | Governance practices |
| | | Sustainability & ESG Practices |
| | | Investment Management |
| | | Financial Management |
| | | International Asset Management |
| 4. | Technical Skills / Expertize | Understanding of capital markets |
| | | Investor Relations |
| | | Information Technology |
| | | Sales & Marketing |
| | | Client Services |
| | | Treasury |
| | | Government policies & economic conditions |

The mapping of matrix to the directors of the Company as on 31st March, 2023 are as under:

| Sr. No. | Name of Director | Leadership | Board Expertize and Governance | Industry Knowledge / Expertize | Technical Skills / Expertize |
|---------|-----------------------------|------------|--------------------------------|--------------------------------|------------------------------|
| 1. | Mr. Dinesh Kumar Mehrotra | ✓ | ✓ | ✓ | ✓ |
| 2. | Mr. Edward Cage Bernard | ✓ | ✓ | ✓ | ✓ |
| 3. | Mr. Flemming Madsen | ✓ | ✓ | ✓ | ✓ |
| 4. | Mr. Narasimhan Seshadri | ✓ | ✓ | ✓ | ✓ |
| 5. | Mr. Deepak Kumar Chatterjee | ✓ | ✓ | ✓ | ✓ |
| 6. | Mr. Rajeev Kakar | ✓ | ✓ | ✓ | ✓ |
| 7. | Ms. Dipali Sheth | ✓ | ✓ | ✓ | ✓ |
| 8. | Ms. Jayashree Vaidhyanathan | ✓ | ✓ | ✓ | ✓ |
| 9. | Mr. Kiran Kumar Tarania | ✓ | ✓ | ✓ | ✓ |
| 10. | Mr. Imtaiyazur Rahman | ✓ | ✓ | ✓ | ✓ |

CORPORATE GOVERNANCE REPORT (Contd.)

5. Board Independence:

6 (six) out of 10 (ten) directors on Board of the Company are Non-Executive Independent Directors (including the Chairman). Independent Directors of the Company bring an unbiased judgment on the Board's deliberations, especially on the matters pertaining to strategy, performance, risk management, human resources, governance, key appointments and standards of conduct.

All the Independent Directors affirmed their independence by submitting a Declaration of Independence on compliance with the conditions mentioned in Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, a declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 regarding the requirement relating to the enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors.

None of the Independent Directors of the Company resigned during the FY 2022-23.

The maximum tenure of Independent Directors is in accordance with the Act, the SEBI Listing Regulations, the SEBI Mutual Funds Regulations and other applicable Regulations.

6. Familiarization Programme for Independent Directors:

The Company regularly familiarizes its Independent Directors with their roles, rights & responsibilities in the Company, mutual fund industry and business model of the Company, performance of the Company, various system and policies adopted by the Company, Indian and global market update, corporate governance framework, risk management framework, achievements / awards, management structure, human resource policies, management development and succession planning, Internal Audit, operations of subsidiaries, digitisation of business process and update on digital marketing, ESG activities *etc.*

Pursuant to Regulation 25(7) and Regulation 46(2) of the SEBI Listing Regulations, the Company has a 'Familiarization Programme for Independent Directors' and the details of familiarization programmes conducted during the FY 2022-23 are available on the Company's website at <https://www.utimf.com/uti-amcshareholders/corporate-governance/code-and-policies/>.

7. Board Evaluation:

The Company has conducted a formal annual performance evaluation, through an external agency, of the entire Board, its Committees, the Chairman and individual directors for the FY 2022-23.

The evaluation of the Board, its Committees, the Chairman and individual directors was conducted based on various criteria including Board structure and composition, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information flow, functioning of the Board / Committees, Board culture and dynamics, quality of the relationship between the Board and management, decision-making process, guidance / support to management outside Board / Committee meetings *etc.*

The agency had completed the aforesaid performance evaluation in line with the provisions of the Company's 'Policy for evaluation of performance of the Board of Directors', the Act, the SEBI Listing Regulations and Guidance Note on Board Evaluation dated 5th January, 2017 issued by SEBI and submitted its report to the Board.

The Policy is available on Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

The recommendations and suggestions of the agency, based on the performance evaluation, were deliberated and noted by the Independent Directors, Nomination and Remuneration Committee and the Board in their respective meetings. The discussion quality was robust, well-intended and led to clear direction and decision. The directors shared their valuable feedbacks on further improvement of evaluation exercise.

8. Code of Conduct:

The Company gives utmost importance to its 'Code of Conduct for Board of Directors and Senior Management Personnel' (the Code) which emphasizes on ethical, honest and professional conduct by the employees and directors while undertaking the business activities.

All members of the Board and senior management personnel have affirmed compliance with the Code for the FY 2022-23. The declaration to this effect signed by Mr. Imtaiyazur Rahman, MD & CEO, is annexed as **Annexure-I** to this Corporate Governance Report.

9. Board Support:

The Company Secretary is responsible for:

- i. preparation of the agenda and convening of the Board and its Committee(s) meetings;
- ii. review and submission of all papers to the Board and its Committee(s);
- iii. conducting the meetings of the Board and its Committee(s), in the capacity of Secretary of the Board / Committee(s);
- iv. advising / assuring the Board and its Committee(s) on compliance & governance principles; and
- v. recording of minutes of the meetings.

CORPORATE GOVERNANCE REPORT (Contd.)

With a view to leverage technology and reducing paper consumption, the Company uses a SAAS based application for circulating Board and its Committee(s) agenda papers and minutes. The directors can access the agenda and minutes in electronic form through web browser or iPad. The application meets high standards of security and integrity that are required for storage and transmission of Board and its Committee agenda and minutes in electronic form.

BOARD COMMITTEES

The Board Committees play a vital role in improving the Board effectiveness in the areas where more focused and extensive discussions are required. As on 31st March, 2023, the Board has following Committees with specific terms of reference in line with the provisions of the Act, the SEBI Listing Regulations and other applicable laws, to meet the business requirements and in order to strengthen the governance framework of the Company:

| Committee | Composition |
|--|--|
| AUDIT COMMITTEE | <ul style="list-style-type: none"> Mr. Deepak Kumar Chatterjee Mr. Dinesh Kumar Mehrotra Mr. Flemming Madsen Mr. Narasimhan Seshadri Mr. Rajeev Kakar |
| NOMINATION AND REMUNERATION COMMITTEE | <ul style="list-style-type: none"> Mr. Narasimhan Seshadri Mr. Dinesh Kumar Mehrotra Mr. Edward Cage Bernard Ms. Dipali Sheth |
| STAKEHOLDERS RELATIONSHIP COMMITTEE | <ul style="list-style-type: none"> Mr. Edward Cage Bernard Mr. Deepak Kumar Chatterjee Ms. Jayashree Vaidhyanathan |
| CORPORATE SOCIAL RESPONSIBILITY COMMITTEE | <ul style="list-style-type: none"> Ms. Dipali Sheth Mr. Dinesh Kumar Mehrotra Mr. Edward Cage Bernard Mr. Imtaiyazur Rahman |
| RISK MANAGEMENT COMMITTEE | <ul style="list-style-type: none"> Mr. Rajeev Kakar Mr. Flemming Madsen Mr. Narasimhan Seshadri Mr. Deepak Kumar Chatterjee Ms. Jayashree Vaidhyanathan |
| DIGITAL TRANSFORMATION COMMITTEE | <ul style="list-style-type: none"> Ms. Jayashree Vaidhyanathan Mr. Flemming Madsen Mr. Rajeev Kakar Ms. Dipali Sheth Mr. Imtaiyazur Rahman |
| ESG COMMITTEE | <ul style="list-style-type: none"> Mr. Flemming Madsen Mr. Narasimhan Seshadri Mr. Rajeev Kakar Ms. Dipali Sheth Mr. Kiran Kumar Taranian |

Each Board Committee is governed by a well-defined charter which *inter-alia* specifies its terms of reference, criteria for appointment, quorum for the meeting, frequency of the meeting *etc.* The Committees annually review its respective charters. The Committees also work diligently to support effective corporate governance and strive to align the Company's governance framework with the interest of stakeholders. The Committee meetings are conducted at regular intervals.

The Committees function under the direct supervision of the Board and prepare the groundwork for decision-making for the Board in accordance with its terms of reference, thereby enabling better management of the Board's time and in-depth scrutiny and focused attention on the delegated matters. The Company organizes the Committee meetings prior to the Board meeting. The Chairperson of the respective Committees also briefs the Board about the deliberations and decisions made at the Committee meetings.

The Chairperson of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Digital Transformation Committee are Independent Directors. The Chairperson of Stakeholders Relationship Committee and ESG Committee are Non-Executive Directors.

1. Audit Committee:

Audit Committee plays a pivotal role in corporate governance framework. The Committee aims to enhance the confidence in the integrity of Company's financial reporting, the internal control processes, compliance with legal and regulatory requirements and the risk management systems by providing an appropriate oversight in financial reporting and disclosures.

The composition of Audit Committee is in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee comprises of Non-Executive Independent and Non-Independent Directors who are financially literate and have relevant expertise in the fields of finance and accounting.

The Audit Committee met 7 (seven) times during the FY 2022-23, *i.e.* on 26th April, 2022; 26th May, 2022; 20th June, 2022; 26th July, 2022; 20th October, 2022; 14th December, 2022 and 1st February, 2023.

In compliance with the SEBI Circular dated 9th February, 2022, a joint meeting of Audit Committee of UTI AMC and of UTI Trustee Company Private Limited was conducted on 20th October, 2022 and all the members had participated in the said joint meeting. During the joint meeting, the Committees had discussed and deliberated on various financial, operational and compliance matters.

CORPORATE GOVERNANCE REPORT (Contd.)

The composition of Audit Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022 - 23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Deepak Kumar Chatterjee (Non-Executive Independent Director) | Chairman | 7 | 7 |
| 2. | Mr. Dinesh Kumar Mehrotra (Non-Executive Independent Director) | Member | 7 | 7 |
| 3. | Mr. Flemming Madsen (Non-Executive Nominee Director) | Member | 7 | 6 |
| 4. | Mr. Narasimhan Seshadri (Non-Executive Independent Director) | Member | 7 | 7 |
| 5. | Mr. Rajeev Kakar (Non-Executive Independent Director) | Member | 7 | 7 |

Notes:

- (1) The Company Secretary acts as the Secretary to the Audit Committee; and
- (2) The Chairman of the Audit Committee was present at the 19th AGM of the Company held on 25th July, 2022.

Terms of reference of the Audit Committee:

The Terms of Reference of the Committee are as under:

- i. To oversee the Company's and the Mutual fund schemes financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- ii. To consider and recommend for approval of the Board, the appointment, re-appointment and, if required, replacement or removal of the statutory auditor, internal auditor *etc.* of the Company and Mutual fund Schemes along with their terms of appointment and fixation of remuneration for audit or any other services rendered by auditors;
- iii. To consider and recommend for approval of the Board, all accounting policy issues for the Mutual Fund Schemes, including any proposed changes to the accounting policies and practices for transactions with related parties, *etc.*;
- iv. To review audit opinion issued by statutory auditors;
- v. To review and monitor the auditor's independence, performance and effectiveness of audit process;
- vi. To review and recommend the scope of Internal Auditors to the Board for approval;
- vii. To review with the management, the annual financial results of the Company and auditor's report thereon

before submission to the Board for approval with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
 - b. Accounting policies issues, if any;
 - c. Changes, if any, in accounting policies and practices including practices relating to related party transactions *etc.* and reasons for the same;
 - d. Major accounting entries involving estimates based on the exercise of judgment by management;
 - e. Significant adjustments made in the financial statements arising out of audit findings;
 - f. Compliance with listing and other legal requirements relating to financial statements;
 - g. Disclosure of any related party transactions; and
 - h. Modified opinion(s) in the draft audit report.
- viii. To review with the management, the quarterly and half-yearly financial statements of the Company before submission to the Board for approval;
 - ix. To consider, review and recommend to the Board, adoption of financial statements including half yearly unaudited financial results prepared for the Mutual Fund Scheme, with particular reference to:
 - a. Major accounting entries involving estimates based on the exercise of judgment by management;
 - b. Significant adjustments made in the financial statements arising out of audit findings;
 - c. Compliance with listing and other legal requirements relating to financial statements;
 - d. Disclosure of any related party transactions; and
 - e. Modified opinion(s) in the draft audit report.
 - x. To review / monitor with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, *etc.*), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, to monitor the utilisation of proceeds of a public or rights issue and to make appropriate recommendations to the Board to take up steps in this matter;
 - xi. To approve any subsequent material modifications of transactions of the Company with related parties as per Regulation 18 of Listing Regulations read with Schedule II Part C;
 - xii. To scrutinize inter-corporate loans and investments;
 - xiii. To undertake valuation of undertakings or assets of the Company, wherever it is necessary;
 - xiv. To evaluate internal financial controls and risk management systems;

**CORPORATE GOVERNANCE REPORT (Contd.)**

- xv. To establish a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 - xvi. To evaluate various internal control measures in terms of applicable SEBI (Mutual Funds) Regulations, 1996 and various circulars issued thereunder;
 - xvii. To review periodic report on compliance with applicable laws and regulations including the details of non-compliance along with the corrective actions, as applicable;
 - xviii. To review with the management the performance of statutory and internal auditors;
 - xix. To review the Annual Compliance Report in relation to the "Policy on Prohibition of Insider Trading" of the Company;
 - xx. To assess that the Company has been managing the Mutual Fund Schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of the Asset Management Company;
 - xxi. To interact with the statutory and internal auditors of the Company and of the Mutual Fund, at least once annually without engagement of management of the Company. Besides the mandatory requirement specified, such interactions may be held whenever felt necessary by the independent directors of the Committee;
 - xxii. To review implementation status of all outstanding action points arising out of Internal Audit Reports, Statutory Audit Reports, Systems Audit Reports, inspection reports *etc.*;
 - xxiii. To review Regulatory Inspection Reports;
 - xxiv. To review the adequacy of:
 - a. internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit; and
 - b. internal control systems, including defining metrics for measuring internal controls, seeking comments of the internal auditors about internal control systems *etc.* and the steps taken towards improving the effectiveness of internal control system including through automation;
 - xxv. To discuss with the internal and statutory auditors on any significant findings and follow up there on;
 - xxvi. To review the Internal Audit Reports of the Schemes of the Company and of Mutual Fund (including Internal Audit Report of critical activities outsourced by the Company such as Custodian, Fund Accounting, the Registrar and Transfer Agent activity *etc.*);
 - xxvii. To review the findings of any internal investigations by the Company / internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature or issues highlighted or referred through whistle blower complaints *etc.* and to report the matter to the Board;
 - xxviii. To discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - xxix. 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;
 - xxx. To review the functioning of the whistle blower mechanism;
 - xxxi. To approve the appointment of the Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background *etc.* of the candidate;
 - xxxii. To review the utilisation of loans and / or advances from / investment by the holding Company in any subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 - xxxiii. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation *etc.*, on the Company and its shareholders;
 - xxxiv. To approve / review policies in relation to the implementation of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to supervise implementation of the same; and
 - xxxv. To carry out any other function as mentioned in the terms of reference as may be decided by the Board or specified / provided under the Act or the Listing Regulations or the SEBI (Mutual Funds) Regulations, 1996 by any other regulatory authority;
- The Committee should interact with the Audit Committee of the Trustees at least once annually.
- Powers of the Audit Committee:** The powers of the Committee shall include the following:
- i. To investigate any activity within its terms of reference;
 - ii. To invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the Committee;
 - iii. To seek information from any employee;
 - iv. To obtain outside legal or other professional advice; and
 - v. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Reviewing Powers:** The Committee shall mandatorily review the following information:
- i. Management's discussion and analysis of financial condition and results of operations;



CORPORATE GOVERNANCE REPORT (Contd.)

- ii. Statement of significant related party transactions (as defined by the Committee) submitted by the management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the committee; and
- vi. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
 - b. annual statement of funds utilised for purposes other than those stated in the document / prospectus / notice in terms of the Listing Regulations.

2. Nomination and Remuneration Committee:

The composition of Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprises of Non-Executive Independent and Non-Independent Directors.

The Committee *inter-alia* assists the Board to formulate policies relating to the appointment and remuneration of the directors, key managerial personnel and other employees consistent with criteria approved by the Board. The Committee oversees the evaluation of the performance of the Board and succession planning for senior management personnel. The Committee ensures that the Board comprises of competent and qualified directors.

The Nomination and Remuneration Committee met 8 (eight) times during the FY 2022-23, i.e. on 24th April, 2022; 13th June, 2022; 4th July, 2022; 18th July, 2022; 5th August, 2022; 7th September, 2022; 13th September, 2022 and 14th December, 2022.

The composition of Nomination and Remuneration Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Narasimhan Seshadri (Non-Executive Independent Director) | Chairman | 8 | 8 |

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 2. | Mr. Dinesh Kumar Mehrotra (Non-Executive Independent Director) | Member | 8 | 8 |
| 3. | Mr. Edward Cage Bernard (Non-Executive Nominee Director) | Member | 8 | 7 |
| 4. | Ms. Dipali Sheth (Non-Executive Independent Director) | Member | 8 | 8 |

Notes:

- (1) The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee; and
- (2) The Chairman of the Nomination and Remuneration Committee was present at the 19th AGM of the Company held on 25th July, 2022.

Terms of reference of Nomination and Remuneration Committee:

The Terms of Reference of the Committee are as under:

- i. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of Executive and Non-Executive Directors & Key Managerial Personnel and other employees;
- ii. Formulating the criteria for evaluation of performance of Non-Executive Directors including the independent directors, Executive Directors and the Board as a whole; and specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- iii. Periodic performance evaluation of Whole-time Director / Managing Director / Chief Executive Officer;
- iv. Devise and review the policy on Board diversity;
- v. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down and the succession plans, and recommending to the Board their appointment, remuneration (in whatever form) and removal;
- vi. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

**CORPORATE GOVERNANCE REPORT (Contd.)**

- vii. Oversee familiarisation programs for Directors;
- viii. Formulate scheme / policy on Employees Stock Option, review the same periodically and recommend to the Board for its adoption/ approval all aspects of Employees Stock Option Plans (ESOP) including and not restricted to the following:
- administering the ESOP, as may be approved by the Board and implemented from time to time (the "Plan");
 - determining the eligibility of employees to participate under the Plan;
 - granting options to eligible employees and determining the date of grant;
 - determining the number of options to be granted to an employee;
 - determining the exercise price under the Plan;
 - allotment of shares against the ESOPs exercised by the eligible employees;
 - construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and / or rescinding rules and regulations relating to the administration of the Plan; and
 - Do all such actions so as to implement the ESOP policy guidelines as approved by the Board and to recommend to the Board for its consideration/ adoption the final proposals on ESOP.
- ix. Analyzing, monitoring and reviewing various human resource and compensation matters;
- x. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors;
- xi. Determining compensation levels payable to the Key Managerial Personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- xii. Formulating and recommending to the Board for its adoption / approval, a policy for periodical evaluation of the performance of Whole Time Directors / CEO / CFO / CIO / other Key Managerial Personnel and carry out performance review as per the policy adopted by the Board;
- xiii. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- xiv. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- xv. Perform such other activities as may be delegated by the Board and / or specified / provided under the Companies Act or the Listing Regulations or by any other regulatory authority;
- xvi. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates;
- xvii. Carry out such other functions as may be required for the performance of any of the above duties.

3. Stakeholders Relationship Committee:

The composition of Stakeholders Relationship Committee of the Company is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee comprises of Non-Executive Independent and Non-Independent Directors who assists the Board in fulfilling its statutory, fiduciary and regulatory responsibilities towards stakeholders. It also oversees various aspects of stakeholder which *inter-alia* specifically involves review of the investors' grievances of equity shareholders of the Company.

The Stakeholders Relationship Committee met 2 (two) times during the FY 2022-23, i.e. on 7th April, 2022 and 12th October, 2022. The composition of Stakeholders Relationship Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Edward Cage Bernard (Non-Executive Nominee Director) | Chairman | 2 | 2 |
| 2. | Mr. Deepak Kumar Chatterjee (Non-Executive Independent Director) | Member | 2 | 2 |
| 3. | Ms. Jayashree Vaidhyanathan (Non-Executive Independent Director) | Member | 2 | 2 |



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Notes:

- (1) The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee; and
- (2) The Chairman of the Stakeholders Relationship Committee was present at the 19th AGM of the Company held on 25th July, 2022.

Terms of Reference of Stakeholders Relationship Committee:

The Terms of Reference of the Committee are as under:

- i. To review and monitor investor grievances mechanism for resolving grievances of security holders of the Company, including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings *etc.*;
- ii. To review the measures taken for effective exercise of voting rights by shareholders;
- iii. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- iv. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company;
- v. To approve and review policy(s) / procedure(s) / standard(s) in line with the statutory guidelines to ensure proper and timely attendance and redressal of investor queries and grievances;
- vi. To approve and register transfer or transmission of shares and issuance of duplicate share certificate(s) or new certificate(s) on sub-division, consolidation, removal, rematerialisation *etc.*; and
- vii. To perform such other functions as may be required under the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authority(s), or any other applicable laws for the time being in force, or as may be delegated by the Board from time to time.

The Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Name and Designation of Compliance Officer

Mr. Arvind Patkar, Company Secretary of the Company is the Compliance Officer under the SEBI Listing Regulations for monitoring compliance with the SEBI Listing Regulations and redressal of investors' grievances.

Details of investors' complaints received and resolved during the FY 2022-23, are as follows:

| Number of complaints at the beginning of the year | Number of complaints received during the year | Number of complaints resolved during the year | Number of complaints at the end of the year |
|---|---|---|---|
| 0 | 4 | 4 | 0 |

The status of investors' complaints received and resolved by the Company are reported to National Stock Exchange of India Limited and BSE Limited (the Stock Exchanges) on quarterly basis under Regulation 13(3) of the SEBI Listing Regulations.

The Company monitors and endeavours that the complaints / requests / queries received from the members are resolved in a timely manner; and the Company has a well-defined process for attending and resolving the complaints / requests / queries.

4. Corporate Social Responsibility Committee:

The Company believes in a philosophy of compassion, care and generosity characterized by a willingness to build a society that works for everyone. The Company gives utmost importance to its Corporate Social Responsibility (CSR) initiatives in order to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

The CSR Committee comprises of Non-Executive Independent Directors, Non-Independent Directors and Executive Director in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company has a Corporate Social Responsibility Policy (CSR Policy) in compliance with the requirements of the Act and the Companies (Corporate Social Responsibility Policy) Rules 2014 read with circulars and notifications issued thereon. The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

The CSR Committee also reviews the CSR Annual Action Plan to enhance the responsiveness of the Company towards its stakeholders and the environment in which it operates.

The CSR Committee met 2 (two) times during the FY 2022 - 23, i.e. on 24th April, 2022 and 13th October, 2022. The composition of CSR Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Ms. Dipali Sheth (Non-Executive Independent Director) | Chairperson | 2 | 2 |
| 2. | Mr. Dinesh Kumar Mehrotra (Non-Executive Independent Director) | Member | 2 | 2 |
| 3. | Mr. Edward Cage Bernard (Non-Executive Nominee Director) | Member | 2 | 1 |
| 4. | Mr. Imtaiyazur Rahman (Managing Director & Chief Executive Officer) | Member | 2 | 1 |

Notes:

- (1) The Company Secretary acts as the Secretary to the CSR Committee; and
- (2) The Chairperson of the CSR Committee was present at the 19th AGM of the Company held on 25th July, 2022.

Terms of Reference of CSR Committee:

The Terms of Reference of the Committee are as under:

- i. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- ii. To monitor and review CSR Policy and recommend to the Board, any amendments therein;
- iii. To review and recommend the amount of expenditure to be incurred on the CSR projects, to the Board for approval;
- iv. To formulate and recommend to the Board, an Annual Action Plan, which shall include the following, namely:-
 - a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b. the manner of execution of such projects or programmes as specified in Act or Rules;
 - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d. monitoring and reporting mechanism for the projects or programmes;
 - e. details of need and impact assessment, if any, for the projects undertaken by the Company; and
 - f. Such other points as specified under CSR Policy of the Company.

- v. To recommend any alteration in the annual action plan at any time during the year, to the Board for approval;
- vi. To monitor the CSR activities as per the annual action plan and within the overall CSR framework;
- vii. To undertake impact assessment through third parties for CSR projects, whenever applicable;
- viii. To focus on the local area and areas around it where it operates, for spending the amount earmarked for CSR activities; and
- ix. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Committee in terms of the provisions of Section 135 of the Act and Rules made thereunder, as may be amended or as may be specified by the Board, from time to time.

The Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

5. Risk Management Committee:

The composition of Risk Management Committee is in compliance with the provisions of Regulation 21 of the SEBI Listing Regulations and other SEBI guidelines / circulars applicable to the Company. The Risk Management Committee comprises of Non-Executive Independent Directors and Non-Independent Directors who provide overall guidance to risk management function in setting up of risk profile of the Company, reviewing of mutual fund's approach to risk management, approving changes or improvements to key elements of its processes and procedures *etc.*

The Risk Management Committee met 5 (five) times during the FY 2022-23, *i.e.* on 23rd May, 2022; 22nd August, 2022; 10th November, 2022; 2nd February, 2023 and 16th March, 2023. The composition of Risk Management Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|--|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Rajeev Kakar (Non-Executive Independent Director) | Chairman | 5 | 5 |
| 2. | Mr. Flemming Madsen (Non-Executive Nominee Director) | Member | 5 | 5 |
| 3. | Mr. Narasimhan Seshadri (Non-Executive Independent Director) | Member | 5 | 5 |

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| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 4. | Mr. Deepak Kumar Chatterjee (Non-Executive Independent Director) | Member | 5 | 5 |
| 5. | Ms. Jayashree Vaidhyanathan (Non-Executive Independent Director) | Member | 5 | 5 |

Notes:

- (1) The Company Secretary acts as the Secretary to the Risk Management Committee; and
- (2) The Chairman of the Risk Management Committee was present at the 19th AGM of the Company held on 25th July, 2022.

The Risk Management Committee ensures that the risks associated with the Company are well identified and the mitigation approach of such risks are in place. The Committee also periodically reviews the Company's risk management policies, procedures and processes which include the delegation of investment and financial responsibilities, implementation of risk management and RCSA framework, establishment of prudential investment norms, approval and dissemination of guidelines and restrictions, as well as establishment of counterparty limits *etc.*

Terms of Reference of Risk Management Committee:

The Terms of Reference of the Committee are as under:

I. Terms relating to Mutual Funds:

- i. To review and provide oversight to the Mutual Fund's approach to risk management and approve changes or improvements to key elements of its processes and procedures;
- ii. To review, approve and oversee the risk appetite framework w.r.t. scheme specific risks, including:
 - a. **Investment Risks** (including Interest Rate Risk, Repricing Risk, Yield Curve Risk and Option Risk);
 - b. **Credit Risk** (including Credit / Sector / Geographical Concentration Risk, Counterparty Risk, Settlement Risk, Securitisation Risk, Sovereign Risk, Convertibility Risk *etc.*);
 - c. **Market Risk** (e.g. Equity Risk, Foreign Exchange Risk, Commodity Risk, Underwriting Risk, Market Risk Concentration *etc.*);
 - d. **Liquidity Risk** (including measures to monitor Liquidity Risk and managing intraday liquidity, funding plans / strategy during normal and stressed events); and
 - e. Governance and Compliance Risks.

- iii. To review in detail the issues arising out of Quarterly Compliance Test Report.

II. Terms relating to the Company:

- i. To review, approve and oversee the risk appetite framework w.r.t. AMC specific risks, which are associated with the functioning of the mutual fund business by the AMC, including:

A. Financial Risks:

- a. Financial Reporting Risk;
- b. Credit Risk;
- c. Market Risk;
- d. Liquidity Risk;
- e. Sales and Distribution Risk; and
- f. Insurance Risk.

B. Non-Financial Risks:

- a. Operational Risk (Conduct Risk, Information & Communication Risk, Employee / Vendor / Customer Fraud / Misconduct Risk, Oppression and Mismanagement *etc.*), including Outsourcing Risks;
- b. Legal, Tax, Regulatory, Audit and Compliance Risk (including delayed audit issue corrections);
- c. Reputational and Conduct Risks;
- d. People / Talent Risk (including senior management turnover, succession planning, documented recruitment and evaluation policies)
- e. Technology, Data Security, Information Security and Cyber Risks, including risks arising out of use of Cloud based solutions (including technological changes and Obsolescence Risks);
- f. ESG related risks; and
- g. Changing Investor expectation Risk.

III. Terms which are common for Mutual Fund and the Company:

- i. To set the risk profile of the UTI AMC / MF;
- ii. To periodically review and approve the Risk Management Policy at least once in a year including by considering the changing industry dynamics and evolving complexity;
- iii. Risk Management Policy shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

CORPORATE GOVERNANCE REPORT (Contd.)

- b. Measures for risk mitigation including systems and processes for internal control of identified risks.
- c. Business continuity plan.
- iv. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- v. To ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and provide oversight about the risks associated with the business of the Company;
- vi. To review and provide oversight w.r.t. R&T related risks, arising out of audit and / or inspection reports and ensure that risks are within approved parameters;
- vii. To review and approve the appointment, removal and terms of remuneration of the Head-Risk management / Chief Risk Officer;
- viii. To review the Compliance with Stewardship Policy on half-yearly basis and recommend changes in the policy to the Board;
- ix. To review and approve Business Continuity Plans on yearly basis;
- x. To review and recommend the quantum of D&O Insurance Policy to the Board for approval;
- xi. To review and recommend to the Board changes in investment related policies, which are required to be approved by the Board;
- xii. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- xiii. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board; and
- xiv. To perform such other role as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time and to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

6. Digital Transformation Committee:

The Digital Transformation Committee comprises of Non-Executive Non-Independent Directors, Independent Directors and Executive Director. The Committee monitors, evaluates and approves actions related to technology, cybersecurity and implementation of major digital projects and assist the management by providing industry expertise in the digital transformation strategy and initiatives of the Company.

The Digital Transformation Committee assists and advise the Board regarding the Company's digital strategy and implementation of new innovative technologies and products.

The Digital Transformation Committee met 3 (three) times during the FY 2022-23, i.e. on 17th June, 2022; 18th November, 2022 and 14th March, 2023.

The composition of the Digital Transformation Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Ms. Jayashree Vaidhyanathan (Non-Executive Independent Director) | Chairperson | 3 | 3 |
| 2. | Mr. Flemming Madsen (Non-Executive Nominee Director) | Member | 3 | 3 |
| 3. | Mr. Rajeev Kakar (Non-Executive Independent Director) | Member | 3 | 3 |
| 4. | Ms. Dipali Sheth (Non-Executive Independent Director) | Member | 3 | 3 |
| 5. | Mr. Imtaiyazur Rahman (Managing Director & Chief Executive Officer) | Member | 3 | 3 |

Notes:

- (1) The Company Secretary acts as the Secretary to the Digital Transformation Committee; and
- (2) The Chairperson of the Digital Transformation Committee was present at the 19th AGM of the Company held on 25th July, 2022.

7. ESG Committee:

The ESG Committee comprises of Non-Executive Non-Independent and Independent Directors to assist the Board in fulfilling its oversight responsibilities and support the organization's commitments with regard to, including, but not limited to, environment, health & safety, corporate social responsibility, sustainability, philanthropy, corporate governance, reputation, diversity, equity & inclusion, community issues, relevant disclosure & reporting standards and other public policy matters relevant to the Company in compliance to the national and international legal frameworks.

The ESG Committee met 2 (two) times during the FY 2022-23, i.e. on 19th August, 2022 and 17th March, 2023. The composition of the ESG Committee as on 31st March, 2023 and the attendance of members at its meetings are as under:

CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No. | Name and Designation | Position in the Committee | Number of meetings during the FY 2022-23 | |
|---------|---|---------------------------|--|----------|
| | | | Held during tenure | Attended |
| 1. | Mr. Flemming Madsen (Non-Executive Nominee Director) | Chairman | 2 | 2 |
| 2. | Mr. Narasimhan Seshadri (Non-Executive Independent Director) | Member | 2 | 2 |
| 3. | Mr. Rajeev Kakar (Non-Executive Independent Director) | Member | 2 | 2 |
| 4. | Ms. Dipali Sheth (Non-Executive Independent Director) | Member | 2 | 2 |
| 5. | Mr. Sanjay Varshneya ⁽¹⁾ (Non-Executive Nominee Director) | Member | 0 | 0 |
| 6. | Mr. Kiran Kumar Taranian ⁽²⁾ (Non-Executive Nominee Director) | Member | 2 | 2 |

Notes:

- (1) Mr. Sanjay Varshneya ceased to be a members of ESG Committee subsequent to his resignation effective from 26th July, 2022; and
- (2) Mr. Kiran Kumar Taranian was appointed as member of the Committee with effect from 26th July, 2022.
- (3) The Company Secretary acts as the Secretary to the ESG Committee.

Roles and Responsibilities of ESG Committee:

The roles and responsibilities of the Committee includes the following:

- i. To review and approve UTI AMC's general strategy concerning ESG aspects, and to consider and recommend ESG related policies, practices and disclosures that confirm with the business strategies;
- ii. To oversee internal and external communications with employees, investors and other key stakeholders regarding UTI AMC's position on or approach to ESG performance, including by providing responses, reports or other disclosures to the key stakeholders;
- iii. To consider emerging ESG aspects that may affect the business, operations, performance or public image of UTI AMC or are otherwise pertinent to UTI AMC and its stakeholders, and to provide guidance on how UTI AMC's policies, practices and disclosures can adjust to or address such trends and issues;

- iv. To review and assess this charter annually and propose changes (if needed); and
- v. To perform other duties, tasks and responsibilities as may be requested by the Board, from time to time.

The minutes of the aforesaid Board Committee meetings were also placed before the Board at regular intervals.

REMUNERATION TO DIRECTORS

Nomination and Remuneration Policy:

The remuneration paid to directors, key managerial personnel, senior management personnel and other employees for the FY 2022-23 was in accordance with the 'Nomination and Remuneration Policy' and the 'Compensation Policy' of the Company in compliance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

The 'Nomination and Remuneration Policy' is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

Non-Executive Directors:

The Non-Executive directors are paid sitting fees of ₹1,00,000 per Board and Committee meeting in compliance with Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The expenses incurred by directors for attending such meetings are also reimbursed to them.

The details of sitting fees paid to Non-Executive Directors during the FY 2022-23 is as under:

| Sr. No. | Name | Amount (in ₹) |
|---------|-----------------------------|---------------|
| 1. | Mr. Dinesh Kumar Mehrotra | 30,00,000 |
| 2. | Mr. Edward Cage Bernard | Nil |
| 3. | Mr. Flemming Madsen | Nil |
| 4. | Mr. Narasimhan Seshadri | 35,00,000 |
| 5. | Mr. Deepak Kumar Chatterjee | 27,00,000 |
| 6. | Mr. Rajeev Kakar | 30,00,000 |
| 7. | Ms. Dipali Sheth | 28,00,000 |
| 8. | Ms. Jayashree Vaidhyanathan | 23,00,000 |
| 9. | Mr. Sanjay Varshneya | Nil |
| 10. | Mr. Kiran Kumar Taranian | Nil |

No other remuneration was paid to Non-Executive Directors during the FY 2022-23.

The Company has not granted any stock options to Non-Executive Directors.

Further, the details of remuneration paid to each individual director is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/>.

There was no other pecuniary relationship or transaction of Non-Executive Director vis-à-vis the Company during the FY 2022-23.

**CORPORATE GOVERNANCE REPORT (Contd.)****Executive Directors:**

The remuneration paid to Mr. Imtaiyazur Rahman, the MD & CEO for the FY 2022-23 was approved by the Nomination and Remuneration Committee and the Board. The details are as under:

| Particulars | Amount |
|---|-----------------------------------|
| Salary (basic) | ₹1,37,17,240 |
| Performance Bonus / Commission | ₹5,06,57,470 |
| Company's Contribution to Provident Fund | ₹13,71,724 |
| Perquisites and Allowances | ₹2,40,32,882 |
| Other Benefits namely insurances, pension, club membership etc. | ₹13,25,610 |
| Gratuity | ₹11,42,646 |
| Stock option (Number of options granted in FY 2022-23) | 2,60,393 of equity shares granted |

GENERAL BODY MEETINGS**1. Details of last three Annual General Meetings:**

The details of last three AGMs and the summary of Special Resolutions passed therein are as under:

| AGM | Financial Year | Date and Time | Location / Deemed Venue | Particulars of Special Resolution |
|----------|----------------|---------------------------------|---|--|
| 19th AGM | 2021-22 | 25th July, 2022 at 1600 hrs IST | Through Video Conference / Other Audio Visual Means. Registered Office was deemed venue of the meeting. | No special resolution was passed in the 19th AGM. |
| 18th AGM | 2020-21 | 28th July, 2021 at 1500 hrs IST | Through Video Conference / Other Audio Visual Means. Registered Office was deemed venue of the meeting. | 1. Reappointment of Mr. Deepak Kumar Chatterjee (DIN: 03379600) as an independent director; 2. Ratification of UTI AMC Employee Stock Option Scheme-2007; 3. Amendment of UTI AMC Employee Stock Option Scheme-2007; and 4. Approval of grant of stock options to the employees of the subsidiaries of the Company. |

| AGM | Financial Year | Date and Time | Location / Deemed Venue | Particulars of Special Resolution |
|----------|----------------|-------------------------------------|---|---|
| 17th AGM | 2019-20 | 27th November, 2020 at 1600 hrs IST | Through Video Conference / Other Audio Visual Means. Registered Office was deemed venue of the meeting. | 1. Ratification of Article 129 of the Articles of Association of the Company; 2. Approval of the re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) as an independent director; and 3. Approval of the re-appointment of Mr. Narasimhan Seshadri (DIN: 03486485) as an independent director. |

2. Extra-Ordinary General Meeting:

During the FY 2022-23, no extra-ordinary general meeting was held.

3. Postal Ballot:

During the FY 2022-23, the Company had conducted the postal ballot activity to obtain approval of members by way of Ordinary Resolution for regularization of appointment of Mr. Kiran Kumar Tarania as Non-Executive Nominee Director on the Board of the Company, through voting by electronic means.

Vishal N. Manseta, Practicing Company Secretary was appointed as the Scrutinizer to scrutinize the remote e-voting process for Postal Ballot in a fair and transparent manner.

The remote e-voting period commenced from 0900 hrs IST on Tuesday, the 13th September, 2022 and ended at 1700 hrs IST on Wednesday, the 12th October, 2022.

The results of the Postal Ballot were announced on Friday, 14th October, 2022. The resolution was approved with the requisite majority of members on Wednesday, the 12th October, 2022.

The voting result of ordinary resolution passed for appointment of Mr. Kiran Kumar Tarania as Non-Executive Nominee Director was as under:

| Voted 'For' | | | Voted 'Against' | | | Voted 'Abstain' | | |
|-------------------|----------------------------|---------------------------------------|-------------------|----------------------------|---------------------------------|-------------------|----------------------------|---------------------------------|
| Number of Members | Number of valid votes cast | % of total number of valid votes cast | Number of Members | Number of valid votes cast | % of total number of votes cast | Number of Members | Number of valid votes cast | % of total number of votes cast |
| 846 | 11,13,53,015 | 99.95% | 51 | 50,856 | 0.05% | 25 | 16,444 | - |

CORPORATE GOVERNANCE REPORT (Contd.)

No special resolution was passed through postal ballot during the FY 2022-23 and no special resolution was proposed to be passed through postal ballot as on the date of this report.

MEANS OF COMMUNICATION

The Company discloses information on material corporate developments and other events as required under the SEBI Listing Regulations to the stock exchanges in time bound manner.

All periodical compliances, intimations and / or disclosures *etc.* are filed electronically with the stock exchanges through their web based applications.

The aforesaid disclosures / intimations *etc.* are also uploaded on the Company's website at www.utimf.com simultaneously. The disclosures specifically relevant to the members are updated in 'AMC Shareholders/Investors' section on the Company's website. The Company disseminates information on its operations and initiatives on a regular basis.

The quarterly, half-yearly and annual financial results of the Company are published in one english newspaper circulated in substantially whole of India and in one marathi newspaper circulated in State of Maharashtra. Simultaneously, these are also uploaded on the Company's website at www.utimf.com.

The investors' presentation on performance of the Company is also uploaded on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/investors-updates-presentations-conference-calls/> for the benefit of the institutional investors, analysts and other members.

The Company also organizes earnings conference calls on financials results for analysts and investors; and their audio clips and transcripts are submitted to the stock exchanges and are also uploaded on the Company's website at <https://www.utimf.com/uti-amc-shareholders/financials-filings/investors-updates-presentations-conference-calls/>.

The web link of financial results, investors presentation and press release are also sent to the members electronically and / or through physical letters.

GENERAL SHAREHOLDERS INFORMATION

1. 20th (Twentieth) AGM:

| | |
|----------------------------------|---|
| Day and Date | Tuesday, the 25th July, 2023 |
| Time | 1600 hrs IST |
| Venue | UTI Tower 'Gn' Block Bandra-Kurla Complex Bandra East Mumbai-400 051 (Deemed Venue) (through Video Conference / Other Audio Visual Means) |
| e-voting period commences | 0900 hrs IST on Saturday, the 22nd July, 2023 |
| e-voting period ends | 1700 hrs IST on Monday, the 24th July, 2023 |
| ISIN | INE094J01016 |

2. Financial Year:

The Company's financial year commences from 1st April of every year and ends on 31st March of the following year.

3. Dividend:

Dividend Distribution Policy:

The Company has 'Dividend Distribution Policy' in accordance with the provisions of Regulation 43A of the SEBI Listing Regulations which *inter-alia* aims to strike an optimum balance between rewarding members through dividend and ensuring that sufficient funds are retained for the growth of the Company.

The Policy is available at **Annexure-I** to the Directors' Report. The Policy is also available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

Dividend Payment Date:

The Board has recommended a final dividend of ₹22 per equity share (220%) of face value of ₹10 each for the FY 2022-23.

The Board has recommended the final dividend as per the Company's Dividend Distribution Policy.

The final dividend shall be paid, subject to the approval of members at the 20th AGM of the Company to be held on Tuesday, the 25th July, 2023, to those members:

- whose name appears in the statement of beneficial owners to be furnished by the Depositories in respect of the shares held in electronic form as at the end of business hours on Tuesday, the 18th July, 2023; and
- whose name appears as members in the Company's register of members maintained by the Registrar and Share Transfer Agent (RTA) of the Company on Tuesday, the 18th July, 2023.

Dividend on equity shares, if declared by the members, will be paid on as before Friday, the 28th July, 2023.

The Company has not declared any interim dividend in the FY 2022-23.

4. Stock Exchanges:

The equity shares of the Company are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)

Exchange Plaza C-1 Block G Bandra-Kurla Complex Bandra East Mumbai-400 051.

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400 001.

The equity shares of the Company have not been suspended from trading on the stock exchanges by any Regulatory / Statutory Authority.

5. Annual Listing Fees:

The annual listing fees have been paid to both the stock exchanges for the FY 2022-23 and FY 2023-24.

CORPORATE GOVERNANCE REPORT (Contd.)
6. Stock Code:

| Security | ISIN | BSE | BSE | NSE |
|----------|--------------|------------|--------|-----|
| | | Scrip Code | Symbol | |
| Equity | INE094J01016 | 543238 | UTIAMC | |

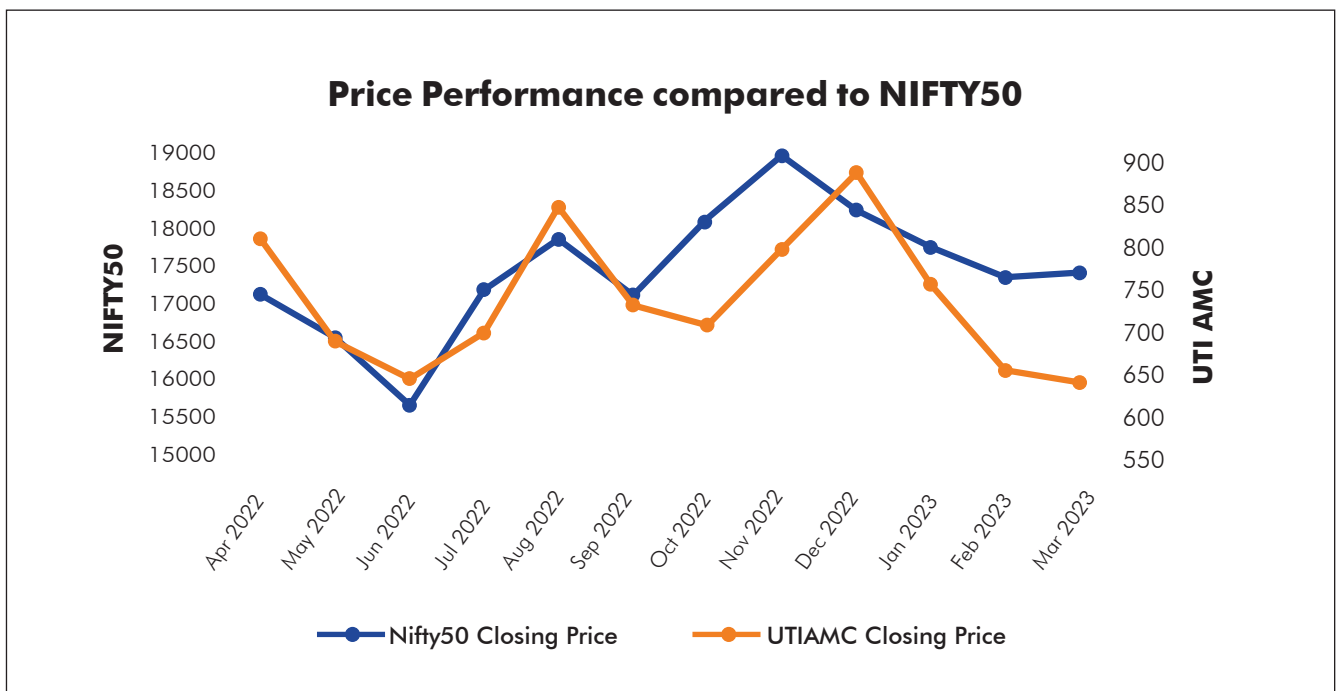
7. Debt Securities:

The Company has not issued any debt instrument during the FY 2022-23.

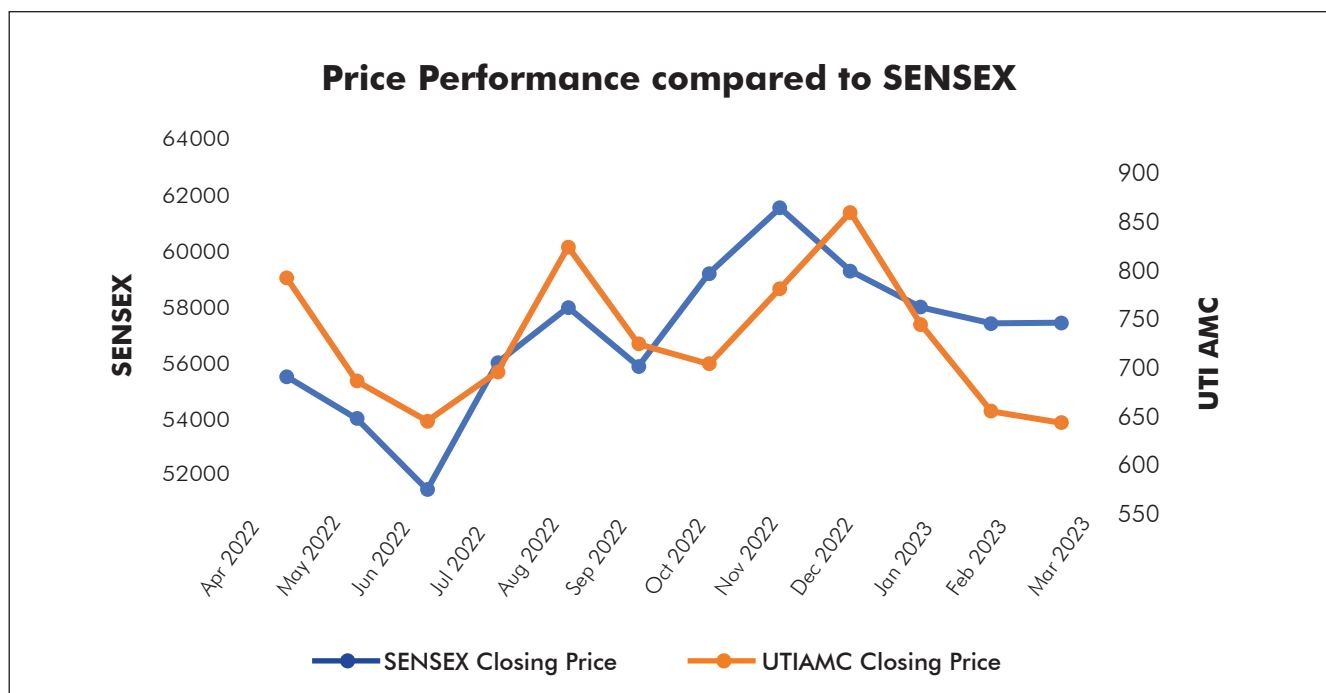
8. Stock Performance:

The monthly high and low market price of the equity shares and the quantities traded during the FY 2022-23 on the stock exchanges are as under:

| Month | NSE | | | BSE | | |
|----------------|----------|---------|---------------------------------|----------|---------|---------------------------------|
| | High (₹) | Low (₹) | No. of Shares traded (in lakhs) | High (₹) | Low (₹) | No. of Shares traded (in lakhs) |
| April 2022 | 1014.95 | 786.00 | 29.67 | 1007.80 | 787.00 | 1.32 |
| May 2022 | 812.45 | 644.00 | 27.68 | 811.30 | 644.10 | 1.71 |
| June 2022 | 704.00 | 595.00 | 15.98 | 705.95 | 595.00 | 0.80 |
| July 2022 | 703.00 | 619.60 | 26.30 | 700.50 | 619.65 | 1.07 |
| August 2022 | 894.70 | 679.00 | 58.80 | 895.00 | 679.00 | 2.84 |
| September 2022 | 858.00 | 691.00 | 29.73 | 864.00 | 691.50 | 2.86 |
| October 2022 | 802.90 | 696.60 | 22.35 | 801.00 | 696.10 | 3.67 |
| November 2022 | 784.60 | 656.05 | 74.14 | 783.85 | 656.50 | 3.14 |
| December 2022 | 908.00 | 756.00 | 132.17 | 907.00 | 756.45 | 4.98 |
| January 2023 | 884.00 | 716.30 | 32.22 | 884.00 | 712.20 | 1.61 |
| February 2023 | 759.80 | 641.75 | 42.88 | 768.00 | 641.75 | 1.52 |
| March 2023 | 695.80 | 608.00 | 61.07 | 695.05 | 609.50 | 5.64 |

9. Price Performance compared to Indices:


CORPORATE GOVERNANCE REPORT (Contd.)



10. Registrar and Share Transfer Agent and Share Transfer System:

The details of RTA of the Company are as under:

KFin Technologies Limited

Selenium Building Tower - B Plot No 31 & 32 Financial District Nanakramguda Serilingampally Hyderabad Rangareddy Telangana India - 500 032.

Toll Free / Phone Number: 1800 309 4001

WhatsApp Number: (+91) 910 009 4099

E-mail address: einward.ris@kfintech.com

Website: <https://www.kfintech.com> or <https://ris.kfintech.com>

Investor Support Centre (DIY Link): <https://ris.kfintech.com/clientservices/isc>

KPRISM (Mobile Application): <https://kprism.kfintech.com/>

Transmission, dematerialization of shares, dividend payment and all other members related matters are attended to and processed by our RTA.

SEBI has, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, mandated Company / RTA to issue the securities in dematerialized form only while processing the following service requests:

- i. Issue of duplicate securities certificate;
- ii. Claim from unclaimed suspense account;
- iii. Renewal / exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division / splitting of securities certificate;
- vi. Consolidation of securities certificates / folios;
- vii. Transmission; and
- viii. Transposition.

The requisite Investors Service Request (ISR) forms are available on the Company's website and of the RTA at www.utimf.com and <https://ris.kfintech.com> respectively.

The Company has not processed any request for transfer of shares in physical form during the FY 2022-23 in compliance with the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 and the SEBI Listing Regulations. *The Company encourages its members holding shares in physical form to dematerialize their equity shares.* Shares held in dematerialized form are electronically traded through the Depositories without any involvement of the Company / RTA.

**CORPORATE GOVERNANCE REPORT (Contd.)**

The Company obtains an annual certificate from Practicing Company Secretary as per the requirement of Regulation 40(9) of the SEBI Listing Regulations certifying due compliance of share transfer formalities and the same is filed with the stock exchanges.

SEBI Complaints Redress System (SCORES): SCORES, a centralised web based complaints redressal system of SEBI, facilitates online filing of investors' grievances and real time status of complaints and action taken thereon. SCORES platform maintains centralised data base of the members complaints and companies can upload the action taken reports online.

Web-based Query Redressal System:

RTA of the Company has a web-based portal for redressal of members queries. The members may utilise this facility by visiting <https://ris.kfintech.com/clientservices/isc> and clicking on 'Post a Query' option for query registration through an identity registration process. After entering all the details related to the members holding and the detailed query, the 'query registration number' is generated. For accessing the status / response to the query submitted, the query registration number can be used at the option 'VIEW REPLY' after 24 hours. Members can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Pursuant to Regulation 40 of the SEBI Listing Regulations read with SEBI circulars dated 8th April, 2022 and 30th May, 2022, the stock exchanges have set up the arbitration mechanism for resolution of disputes between the listed company and its member(s) pertaining to or emanating from investor services such as transfer / transmission of shares, demat / remat, issue of duplicate shares, transposition of name *etc.* and investor entitlements like corporate benefits, dividend, bonus shares, rights entitlements, credit of securities in public issue, interest / coupon payments on securities *etc.* *The arbitration mechanism shall be initiated post exhausting all actions for resolution of complaints including through SCORES Portal.*

Accordingly, if members have any dispute against the Company and / or its RTA on delay or default in processing their request, they can file for arbitration with the stock exchanges post exhausting all actions for resolution of complaints. For more details, the members may refer the below web links of the stock exchanges to access their arbitration portal:

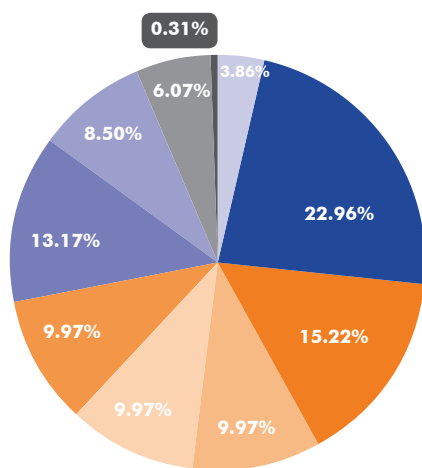
| Stock Exchanges | Web-link for arbitration portal |
|--|---|
| National Stock Exchange of India Limited | http://tiny.cc/s1l2vz |
| BSE Limited | http://tiny.cc/m1l2vz |

11. Category-wise Shareholding Pattern as on 31st March, 2023:

| Sr. No. | Category of Shareholders | No. of shareholders | Total no. of shares | % of shares held |
|------------|--|---------------------|---------------------|------------------|
| (1) | Institutions (Domestic) | | | |
| (a) | Mutual Funds | 17 | 1,67,18,958 | 13.17 |
| (b) | Venture Capital Funds | 0 | 0 | 0.00 |
| (c) | Alternate Investment Funds | 6 | 3,93,405 | 0.31 |
| (d) | Banks | 3 | 4,46,51,485 | 35.16 |
| (e) | Insurance Companies | 4 | 1,47,49,493 | 11.62 |
| | Sub Total (1) | 30 | 7,65,13,341 | 60.25 |
| (2) | Institutions (Foreign) | | | |
| (a) | Foreign Portfolio Investors Category I | 96 | 75,33,848 | 5.93 |
| (b) | Foreign Portfolio Investors Category II | 4 | 1,67,887 | 0.13 |
| | Sub Total (2) | 100 | 77,01,735 | 6.07 |
| (3) | Central Government / State Government(s) / President of India | | | |
| (a) | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | 1 | 144 | 0.00 |
| | Sub Total (3) | 1 | 144 | 0.00 |

CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No. | Category of Shareholders | No. of shareholders | Total no. of shares | % of shares held |
|------------|--|---------------------|---------------------|------------------|
| (4) | Non-Institutions | | | |
| (a) | Directors (excluding Independent and Nominee Directors) | 1 | 1,971 | 0.00 |
| (b) | Key Managerial Personnel | 1 | 3,513 | 0.00 |
| (c) | Resident Individuals holding nominal share capital up to ₹2 lakhs | 1,53,373 | 94,94,222 | 7.48 |
| (d) | Resident Individuals holding nominal share capital in excess of ₹2 lakhs | 36 | 12,89,453 | 1.02 |
| (e) | Non Resident Indians (NRIs) | 2,052 | 6,99,574 | 0.55 |
| (f) | Foreign Companies | 1 | 2,91,61,069 | 22.96 |
| (g) | Bodies Corporate | 299 | 18,27,654 | 1.44 |
| (i) | Any Other | 4,644 | 2,91,019 | 0.23 |
| | Sub Total (4) | 1,60,407 | 4,27,68,475 | 33.68 |
| | Total Public Shareholding = (1) + (2) + (3) + (4) | 1,60,538 | 12,69,83,695 | 100.00 |



The shareholding structure of the Company comprises of a healthy mixture of sponsors, mutual funds and other members.

12. Distribution of Shareholding as on 31st March, 2023:

| Sr. No. | Category | No. of shareholders | % to shareholders | No. of shares | % to shareholding |
|---------|---------------------|---------------------|-------------------|---------------------|-------------------|
| 1. | 1 – 1,000 | 1,58,870 | 98.96 | 63,94,082 | 5.04 |
| 2. | 1,001 – 2,500 | 1,002 | 0.62 | 15,61,031 | 1.23 |
| 3. | 2,501 – 5,000 | 316 | 0.20 | 11,18,971 | 0.88 |
| 4. | 5,001 – 25,000 | 252 | 0.16 | 25,62,109 | 2.02 |
| 5. | 25,001 – 50,000 | 43 | 0.03 | 15,35,856 | 1.21 |
| 6. | 50,001 – 1,00,000 | 17 | 0.01 | 11,50,005 | 0.91 |
| 7. | 1,00,001 – 5,00,000 | 20 | 0.01 | 49,79,454 | 3.92 |
| 8. | 5,00,001 and above | 18 | 0.01 | 10,76,82,187 | 84.80 |
| | Total | 1,60,538 | 100.00 | 12,69,83,695 | 100.00 |

CORPORATE GOVERNANCE REPORT (Contd.)
13. Details of top ten equity shareholders of the Company as on 31st March, 2023:

| Sr. No. | Name of Shareholder* | Number of shares held | % of shareholding |
|--------------|-------------------------------------|-----------------------|-------------------|
| 1. | T. Rowe Price International Ltd | 2,91,61,069 | 22.96 |
| 2. | Punjab National Bank | 1,93,21,383 | 15.22 |
| 3. | State Bank of India | 1,26,65,051 | 9.97 |
| 4. | Life Insurance Corporation of India | 1,26,65,051 | 9.97 |
| 5. | Bank of Baroda | 1,26,65,051 | 9.97 |
| 6. | Tata Mutual Fund | 45,12,246 | 3.55 |
| 7. | PPFAS Mutual Fund | 31,97,662 | 2.52 |
| 8. | Mirae Asset Mutual Fund | 26,33,760 | 2.07 |
| 9. | ICICI Prudential Mutual Fund | 17,75,194 | 1.40 |
| 10. | Max Life Insurance Company Limited | 15,65,173 | 1.23 |
| Total | | 10,01,61,640 | 78.86 |

*Shareholding is consolidated based on Permanent Account Number (PAN) of the member.

14. Dematerialization of shares and Liquidity:

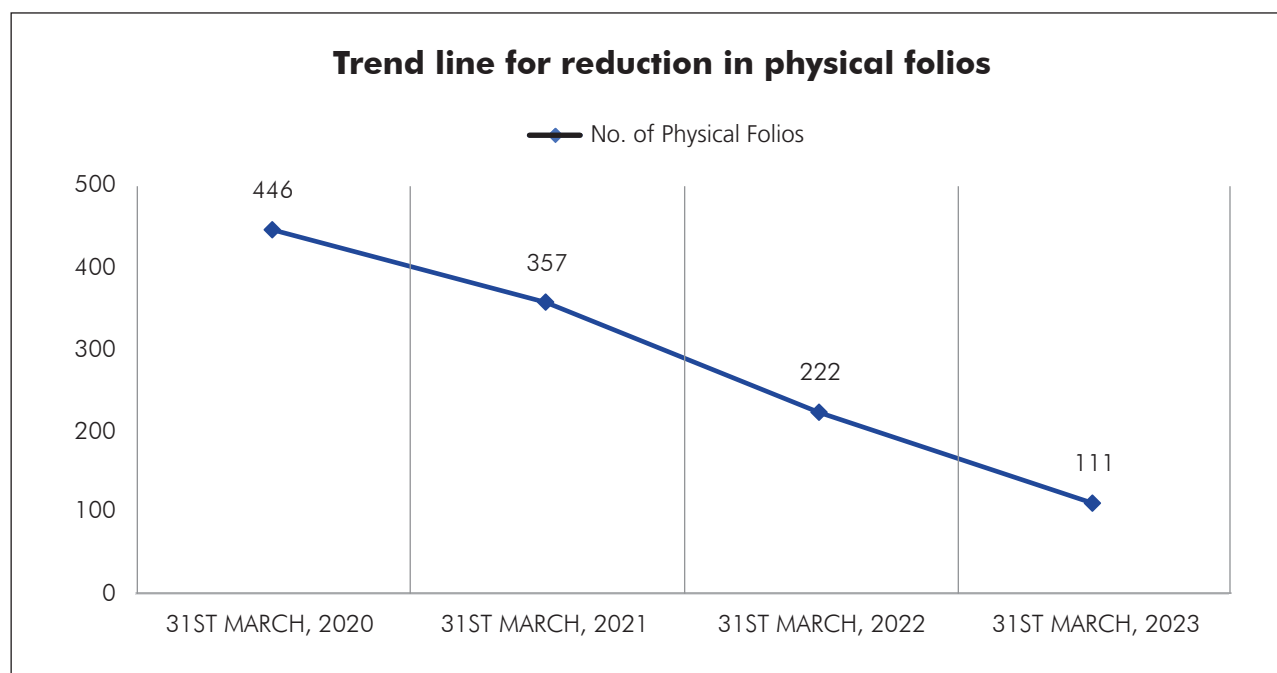
As on 31st March, 2023, 99.93% of the share capital was held in dematerialized form. Break-up of shares held in physical and dematerialized form as on 31st March, 2023 is as under:

| Shareholding* | No. of members | % of total members | No. of shares | % of total shares |
|----------------------|-----------------|--------------------|---------------------|-------------------|
| Physical Form (A) | 111 | 0.07 | 91,342 | 0.07 |
| Dematerialized Form | | | | |
| CDSL (B) | 84,047 | 51.84 | 50,15,292 | 3.95 |
| NSDL (C) | 77,978 | 48.09 | 12,18,77,061 | 95.98 |
| Total (A+B+C) | 1,62,136 | 100.00 | 12,69,83,695 | 100.00 |

* Based on number of folios

The Company regularly conducts a demat campaign wherein the members holding shares in physical form are individually contacted through emails / physical letters and mobile communication to encourage them to dematerialize their equity shareholding in the Company.

As a result, the number of physical folios during the preceeding years from 31st March, 2020 to 31st March, 2023 has reduced:



CORPORATE GOVERNANCE REPORT (Contd.)

15. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any Convertible instruments:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in past years and hence there are no outstanding GDRs / ADRs / Warrants or any convertible instruments.

16. Details of Commodity price risk or foreign exchange risk and hedging activities:

The Company is not exposed to any commodity price risk and commodity hedging activities. Hence, the disclosure under Clause 9(n) of Part C of Schedule V of the SEBI Listing Regulations in the format prescribed *vide* SEBI circular dated 15th November, 2018, is not applicable.

17. Plant Locations:

The Company is engaged in the business of asset management and, therefore, it has no plants.

18. Office Locations:

As of 31st March, 2023, the Company's distribution network includes 167 UTI Financial Centres (UFCs), 210 District Associates and approximately 62,500 Mutual Fund Distributors.

19. Contact details of Company Secretary and Compliance Officer:

Mr. Arvind Patkar

Company Secretary and Compliance Officer UTI Asset Management Company Limited

UTI Tower 'Gn' Block Bandra-Kurla Complex Bandra East
Mumbai-400 051 Maharashtra India.

E-mail address: cs@uti.co.in

Tel. No.: 022 6678 6666

20. Credit Rating:

The Company has not issued any debt instrument or any fixed deposit programme or any scheme or proposal involving mobilization of funds and hence, the Company is not required to obtain any credit ratings during the FY 2022-23.

21. Code for Prohibition of Insider Trading:

The Company's 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their immediate relatives' (PIT Code) provides a framework which defines the internal procedures and conduct in dealing with the securities of the Company. The PIT Code has been formulated in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the aforesaid Regulations.

OTHER DISCLOSURES

1. Material Related Party Transactions:

In compliance with the provisions of Section 188 of the Act and Regulation 23 of the SEBI Listing Regulations, the Company has 'Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions' which *inter-alia* provides the guideline for disclosure, identification, approval and process for dealing & reporting of related party transactions. The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

During the FY 2022-23, the Company has neither entered into any material related party transaction nor any transaction which has potential conflict of interest at large. The details of transactions entered into with related party(ies) are disclosed in Note No. 30 of the standalone financial statements of the Company.

Pursuant to Regulation 23 of the SEBI Listing Regulations, the Company discloses the details of related party transactions to stock exchanges on half-yearly basis.

2. Details of non-compliance, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

Pension Fund Regulatory and Development Authority (PFRDA) had, in exercise of power conferred to it under Section 30 of PFRDA Act, 2013 read with Regulation 11 and 12 of PFRDA (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015, levied a penalty of ₹5,00,000/- on the Company for violation of Regulation 15(2)(c), 15(2)(e) & 44(1) of PFRDA (Point of Presence) Regulations, 2018 and Section 28(1)(c) & 28(5) of PFRDA Act, 2013 on 4th May, 2022. The penalty was paid by the Company on 20th May, 2022.

No other penalties or strictures were imposed on the Company by the Stock Exchange(s), SEBI, or any statutory authority on any matter related to the capital markets during the last 3 (three) years.

3. Vigil Mechanism / Whistle Blower Policy:

The Company has a 'Whistle Blower Policy' in compliance with Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers), Rules 2014 and Regulation 22 of the SEBI Listing Regulations.

The Policy supplements the code of ethics, staff rules, anti-bribery policy and anti-fraud policy of the Company. The Policy aims to build and strengthen a culture of transparency and trust in the organization; and enable the stakeholders to raise their concerns at an early stage and in

CORPORATE GOVERNANCE REPORT (Contd.)

the right manner, without fear of victimisation, subsequent discrimination or disadvantage.

The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

The Company affirms that no personnel have been denied access to the Audit Committee. The complaints, reports and actions taken, if any, are presented to the Audit Committee and the Board on a quarterly and annual basis respectively.

No complaint was received under the Whistle Blower Policy during the FY 2022-23.

4. Recommendation of Committee:

During the FY 2022-23, the Board has accepted all the recommendations of the Board-level Committee.

5. Material Subsidiary:

The Company has a 'Policy for determining Material Subsidiary' in compliance with Regulation 16(1)(c) and Regulation 24 of the SEBI Listing Regulations.

In terms of said Policy, a subsidiary shall be a material subsidiary, if:

- i. Income of the subsidiary exceeds 10% of the consolidated income in the immediately preceding accounting year; or
- ii. Net worth of the subsidiary exceeds 10% of the consolidated net worth in the immediately preceding accounting year.

As on 31st March, 2023, the Company has only 1 (one) material subsidiary which is UTI International Limited (UTI International).

UTI International is the flagship company representing the offshore interests of the UTI Group. UTI International, a wholly-owned subsidiary of the Company was incorporated on 30th January, 1996 in Guernsey, Channel Islands. UTI International had appointed M/s. KPMG Channel Islands Limited, Chartered Accountants located in Guernsey as the statutory auditors on 21st July, 2022.

The total remuneration paid to the auditors for FY 2022-23 was GBP 2,06,428.84 equivalent to Rs. 1,99,87,526.21.

The Company does not have any listed / unlisted Indian material subsidiary as on 31st March, 2023.

The Policy is available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/>.

6. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the FY 2022-23, the Company has not raised any amount through preferential allotment or qualified institutions placement.

7. Fees paid to Statutory Auditor:

M/s. B S R & Co. LLP, Chartered Accountants is the Statutory Auditor of the Company. The details of fees paid by the Company for all the services availed of during the FY 2022-23, are mentioned below:

(₹ in crore)

| Particulars | Amount |
|---------------------------|-------------|
| Audit Fees* | 0.25 |
| Tax Audit Fees* | 0.04 |
| Limited Review Fees* | 0.42 |
| Other Certification fees* | 0.15 |
| Total | 0.86 |

*All figures are including out of pocket expenses.

8. Disclosure for loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount:

The Company and its subsidiaries have not granted any loans and advances in the nature of loans to firms / companies in which directors are interested during the FY 2022-23.

9. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a 'Policy on prevention of sexual harassment of women at workplace' which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy and practices of the Company aims to provide a safe, secure and congenial work environment to all employees of the Company as well as for every person employed for any work on regular, temporary, adhoc or daily wage basis including a contract worker, co-worker, probationer, trainee, apprentice or called by any other such name. The Policy has been rigidly implemented within the Company.

The Company has constituted an Internal Complaints Committee (ICC) to enquire into the cases of Sexual Harassment at Offices / UFCs across India.

The Company also conducts the awareness programmes on prevention of sexual harassment on regular basis.

The details of complaints received, resolved and pending during the FY 2022-23 under the Policy on prevention of sexual harassment of women at workplace are mentioned below:

| Sr. No. | Particulars | No. of Complaints |
|---------|---|-------------------|
| 1. | Number of complaints filed | Nil |
| 2. | Number of complaints disposed of | NA |
| 3. | Number of complaints pending at the end of the FY | Nil |

CORPORATE GOVERNANCE REPORT (Contd.)

10. Unclaimed Dividend:

In terms of Section 124 of the Act read together with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), any amount transferred to the Unpaid Dividend Account of the Company and which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund.

In the interest of the members, the Company sends the communication to claim their dividend in order to avoid transfer of dividend to Investor Education and Protection Fund.

The details of unclaimed dividend are available on the Company's website at <https://www.utimf.com/uti-amc-shareholders/unclaimed-dividend/>.

The details of the unclaimed dividend for the previous three FY are as under:

| Sr. No. | Financial Year | Amount (in ₹) |
|--------------|----------------|---------------------|
| 1. | 2019-20 | 8,56,267.00 |
| 2. | 2020-21 | 9,42,350.09 |
| 3. | 2021-22 | 6,95,059.06 |
| Total | | 24,93,676.15 |

11. Disclosures with respect to demat suspense account / unclaimed suspense account:

The Company does not have any equity shares lying in Demat suspense account / unclaimed suspense account.

12. CEO and CFO Certification:

Mr. Imtaiyazur Rahman, MD & CEO and Mr. Surojit Saha, Chief Financial Officer of the Company have furnished a

Certificate for the financial year ended 31st March, 2023 to the Board of the Company in terms of Part B of Schedule II of the SEBI Listing Regulations. A copy of this certificate forms part of this Report as **Annexure-II**.

13. Audit Qualifications:

There are no audit qualifications in the Statutory Auditor's Report or in the Secretarial Auditor's Report of the Company for financial year ended 31st March, 2023.

14. Certificate on Non-disqualification of Directors:

All the directors have submitted declaration confirming that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

Vishal N. Manseta, Practicing Company Secretary, has certified that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI, MCA or any such statutory authority. A copy of this certificate forms part of this Report as **Annexure-III**.

15. Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations, specifically the corporate governance requirements specified in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations.

The Company has obtained a certificate from Vishal N. Manseta, Practicing Company Secretary, certifying that the Company has complied with the mandatory requirements as stipulated under the SEBI Listing Regulations and his certificate forms part of this Report as **Annexure-IV**.

Date: 9th June, 2023

Place: Mumbai

CORPORATE GOVERNANCE REPORT (Contd.)
ANNEXURE-I
DECLARATION BY THE CHIEF EXECUTIVE OFFICER

*[Pursuant to Regulation 34(3) read with Schedule V (Part D) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

The Members

UTI Asset Management Company Limited

I, Imtaiyazur Rahman, Managing Director & Chief Executive Officer of **UTI Asset Management Company Limited**, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Board of Directors and Senior Management Personnel' of the Company during the financial year ended 31st March, 2023.

Place: Mumbai

Date: 24th May, 2023

Imtaiyazur Rahman
Managing Director &
Chief Executive Officer
(DIN: 01818725)

CORPORATE GOVERNANCE REPORT (Contd.)

ANNEXURE-II

CEO AND CFO CERTIFICATION IN RESPECT OF THE FINANCIALS FOR THE FINANCIAL YEAR 31ST MARCH, 2023

To,
The Board of Directors,
UTI Asset Management Company Limited

We, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2023 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Surojit Saha
Chief Finance officer

Imtaiyazur Rahman
Managing Director &
Chief Executive Officer
(DIN: 01818725)

Place: Jaipur

Date: 26th April, 2023



CORPORATE GOVERNANCE REPORT (Contd.)

ANNEXURE-III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with clause (10) (i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

UTI Asset Management Company Limited

UTI Tower, 'Gn' Block, Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UTI Asset Management Company Limited (CIN: L65991MH2002PLC137867) and having its registered office at UTI Tower, 'Gn' Block, Bandra - Kurla Complex, Bandra (E), Mumbai-400 051 (hereinafter referred to as 'the Company'), for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with clause 10 (i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the information and documents provided to me and according to the verifications done by me including information available on the National Stock Exchange of India Limited and BSE Limited; Directors Identification Number ('DIN') status of the Directors of the Company on the Ministry of Corporate Affairs ('MCA') portal at www.mca.gov.in, I hereby certify that none of the Directors on the Board of the Company as stated below, have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, MCA or any such other statutory authority as on March 31, 2023: -

| Sr. No. | Name of the Director | DIN | Date of Appointment in the Company |
|---------|-----------------------------|----------|------------------------------------|
| 1. | Mr. Dinesh Kumar Mehrotra | 00142711 | April 11, 2017 |
| 2. | Mr. Edward Cage Bernard | 08243277 | October 1, 2018 |
| 3. | Mr. Flemming Madsen | 02904543 | January 20, 2010 |
| 4. | Mr. Narasimhan Seshadri | 03486485 | October 14, 2016 |
| 5. | Mr. Deepak Kumar Chatterjee | 03379600 | September 25, 2018 |
| 6. | Mr. Rajeev Kakar | 01888608 | November 20, 2019 |
| 7. | Ms. Dipali Sheth | 07556685 | November 20, 2019 |
| 8. | Ms. Jayashree Vaidhyanathan | 07140297 | November 20, 2019 |
| 9. | Mr. Kiran Kumar Tarania | 09637366 | July 26, 2022 |
| 10. | Mr. Imtaiyazur Rahman | 01818725 | April 28, 2019 |

Ensuring the eligibility of directors for appointment or continuity of directors on the Board of the Company is the responsibility of the management of the Company. My responsibility is to express an opinion on the basis of my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vishal N. Manseta
(Practicing Company Secretary)**

Vishal N. Manseta

M. No: 25183

C.P. No: 8981

PRC No.: 1584/2021

CORPORATE GOVERNANCE REPORT (Contd.)

ANNEXURE-IV

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

*[Pursuant to Regulation 34(3) read with Para E of Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

The Members

UTI Asset Management Company Limited

UTI Tower, 'Gn' Block, Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051.

I have examined the compliance of conditions of Corporate Governance by UTI Asset Management Company Limited (hereinafter referred as "the Company") for financial year ended 31st March, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (f) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations').

The compliance of condition of 'Corporate Governance' is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of those conditions. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on the information and explanations provided to me and to the best of my knowledge and belief, I certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) and (f) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vishal N. Manseta
(Practicing Company Secretary)**

Vishal N. Manseta

M. No: 25183

C.P. No: 8981

PRC No.: 1584/2021



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

| | | |
|-----|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L65991MH2002PLC137867 |
| 2. | Name of the Listed Entity | UTI Asset Management Company Limited |
| 3. | Year of incorporation | 14th November, 2002 |
| 4. | Registered office address | UTI Tower 'Gn' Block Bandra Kurla Complex Bandra (East) Mumbai – 400 051 |
| 5. | Corporate address | UTI Tower 'Gn' Block Bandra Kurla Complex Bandra (East) Mumbai – 400 051 |
| 6. | E-mail | cs@uti.co.in |
| 7. | Telephone | 022 6678 6666 |
| 8. | Website | www.utimf.com |
| 9. | Financial year for which reporting is being done | FY 2022-23 |
| 10. | Name of the Stock Exchange(s) where shares are listed | a. National Stock Exchange of India Limited (NSE) b. BSE Limited (BSE) |
| 11. | Paid-up Capital | ₹ 1,26,98,36,950.00 |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Arvind Patkar Company Secretary and Compliance Officer Telephone No.: 022 6678 6666 E-mail address: cs@uti.co.in |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) | Standalone Basis |

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|---------------------------------|----------------------------------|-----------------------------|
| 1. | Financial and insurance Service | Fund Management Services | 100% |

15. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service | NIC Code | % of total Turnover contributed |
|--------|----------------------------|----------|---------------------------------|
| 1. | Fund Management Activities | 65991 | 100% |

III. Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 0 | 167 | 167 |
| International | 0 | 0 | 0 |

17. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 27* |
| International (No. of Countries) | 0 |

*The count of states includes 4 union territories.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.26%

c. A brief on types of customers

The Customers of the Company are the investors who are investing or has invested in the mutual fund schemes launched by the Company. The Company also provides discretionary Portfolio Management Services (PMS) to the Employees' Provident Fund Organisation (EPFO), the Coal Mines Provident Fund Organisation, the Employees' State Insurance Corporation (ESIC) and the National Skill Development Fund (NSDF), and Non – Discretionary PMS to Postal Life Insurance (PLI) and Advisory PMS to various offshore accounts.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|--------------|------------|------------|------------|------------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 1,311 | 960 | 73% | 351 | 27% |
| 2. | Other than Permanent (E) | 3 | 3 | 100% | 0 | 0% |
| 3. | Total employees (D + E) | 1,314 | 963 | 73% | 351 | 27% |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0% | 0 | 0% |
| 5. | Other than Permanent (G) | 0 | 0 | 0% | 0 | 0% |
| 6. | Total workers (F + G) | 0 | 0 | 0% | 0 | 0% |

b. Differently abled Employees and workers:

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--|-----------|----------|-------------|----------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 2 | 2 | 100% | 0 | 0% |
| 2. | Other than Permanent (E) | 0 | 0 | 0% | 0 | 0% |
| 3. | Total differently abled employees (D + E) | 2 | 2 | 100% | 0 | 0% |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0% | 0 | 0% |
| 5. | Other than permanent (G) | 0 | 0 | 0% | 0 | 0% |
| 6. | Total differently abled workers (F + G) | 0 | 0 | 0% | 0 | 0% |

19. Participation / Inclusion / Representation of women:

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 10 | 2 | 20% |
| Key Management Personnel | 3 | 0 | 0% |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****20. Turnover rate for permanent employees and workers:**

| | FY 2022 – 23 (Turnover rate in current FY) | | | FY 2021 – 22 (Turnover rate in previous FY) | | | FY 2020 – 21 (Turnover rate in the year prior to the previous FY) | | |
|----------------------------|---|--------|-------|--|--------|-------|--|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 18% | 14% | 17% | 15% | 14% | 15% | 7% | 3% | 6% |
| Permanent Workers | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures:**

| Sr. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding / Subsidiary / Associate / Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No) |
|---------|---|---|-----------------------------------|--|
| 1. | UTI International Limited | Subsidiary | 100% | No |
| 2. | UTI Venture Funds Management Company Private Limited | Subsidiary | 100% | No |
| 3. | UTI Retirement Solutions Limited | Subsidiary | 100% | No |
| 4. | UTI Capital Private Limited | Subsidiary | 100% | No |

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes / No) - Yes****(ii) Turnover - ₹1100,95,82,778.29****(iii) Net worth - ₹3348,27,03,565.40****VII. Transparency and Disclosures Compliances****23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | No* | 0 | 0 | Nil | 0 | 0 | Nil |
| Investors (other than shareholders) | No** | 0 | 0 | Nil | 0 | 0 | Nil |
| Shareholders | Yes. https://www.utimf.com/investors-contacts/ | 4 | 0 | Nil | 20 | 0 | Nil |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Employees and workers | Yes. There is a Grievance Redressal Policy for employees and it is available on intranet of the Company which is accessible to all its employees. | 0 | 0 | Nil | 0 | 0 | Nil |
| Customers | Yes. https://www.utimf.com/servicerequest/grievances-redressal-process/ | 104 | 0 | Nil | 83 | 0 | Nil |
| Value Chain Partners | Yes. https://www.utimf.com/servicerequest/grievances-redressal-process/ | 0 | 0 | Nil | 0 | 0 | Nil |
| Other (please specify) | Yes. The Company also has a Whistle Blower Policy which covers all its stakeholders. Example: employees, directors, brokers, investors etc. The policy is uploaded on Company's website at: https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | 0 | 0 | Nil | 0 | 0 | Nil |

*The Company does not have any impact on the local community via its operations.

** The Company's 'Investors (other than shareholders)' are covered under the category 'customers'.

25. Overview of the entity's material responsible business conduct issues:

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|---|--|
| 1. | Responsible Investing | O | Responsible investing is of paramount importance for asset management companies (AMCs) as it fosters trust and credibility among stakeholders. By integrating Environment, Social and Governance (ESG) factors into investment decisions, AMCs mitigate risks, generate sustainable long – term returns and contribute to a more equitable and resilient financial system. | As Responsible Investing is an opportunity, no mitigation approach is required. However, the Company has adopted a Responsible Investment Policy which is available on the Company’s website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ to promote good ESG standards in the companies that UTI Mutual Fund (UTI MF) Schemes invest in and consider this as an essential part of our ownership responsibilities. | Positive |
| 2. | Risk Management | R | The ESG aspects have started influencing the market in which the Company operates. This trend has motivated the Company to include ESG related risks in its regular risk management approach. Sustainable business practices can lead to increased operational efficiency, improved business resilience, a motivated and engaged workforce and a positive impact on the society. | Identifying and mitigating ESG risks that may interfere in business operations. The Company intends to move towards integrating ESG factors into enterprise risk management process. We have identified and assessed ESG risks that are relevant to the company’s operations, industry and stakeholders. This involves conducting a risk assessment and identifying the impacts. Furthermore, identifying ESG risks in our investment process is integral to the company and is implemented through adoption of the Responsible Investment Strategy. | Negative |
| 3. | Employee Engagement | O | Employee engagement is crucial for AMCs as it fosters a motivated and dedicated workforce. Engaged employees are more likely to provide exceptional performances, exhibit innovative thinking and achieve organizational goals. Learning and Development opportunities in line with market trends, flexible work options, paternity leave, health facilities etc. would be critical for talent attraction and retention. | As employee engagement is an opportunity to the Company, hence no mitigation approach is required. However, the Company has adopted Employee Engagement & Communication Policy which is available on the Company’s website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ which sets out the Company’s commitment to employee engagement in the workplace. It Results in the right conditions for all members of an organization to give their best each day, committed to their organization’s goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being. | Positive |
| 4. | Data Protection / Information Security | R | Data protection is crucial for an asset management company to maintain customer confidentiality, comply with regulations, protect against data breaches, build investor confidence, ensure business continuity, and fulfil ethical responsibilities. Implementing robust data protection/information security measures not only safeguards the company’s reputation but also enhances its overall business operations. In summary, its essential to address the potential privacy related concerns of our investors is a top priority for the Company. | The Company has developed a “Policy on Privacy and Security of Information” that outlines the rights of the Company and users to utilize, secure and restrict personally identifiable and confidential investor information. The Company has implemented ISO 27001 Information Security Management System (ISMS) with verification & certification from third-party. Cyber security and information security policies are also in place and their implementation is reviewed annually by an external firm. Overseeing the implementation of the cyber security policy through the Information Security Executive Committee (ISEC) and Technology Advisory Committee of the Company. The Company has also framed a Data Leak Policy. The Company also undertakes stress testing and VAPT regularly. Setting up a Board-level Digital Transformation Committee (DTC), where the members meet to discuss digital strategy and guide the Company. Creating employee awareness by enhancing their understanding of increasingly sophisticated cyber-attacks such as phishing by simulation and clarifying the difference between a spam and a virus threat. | Negative |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--------------------------------------|--|---|--|--|
| 5. | Transparency & Disclosure | R | Transparency and disclosures are crucial for the Company as they foster trust and confidence among investors. By providing clear and comprehensive information about investment strategies, risks, fees, performance, ESG strategy and responsible investment practices, the Company demonstrates its commitment to accountability and integrity. This empowers investors to make informed decisions, ensuring a fair and transparent investment environment. | <p>Undertaking engagements with all internal and external stakeholders in a fair & transparent manner. Reporting organization's ESG performance to investors and other stakeholders.</p> <p>Quarterly investor calls on financial performance are conducted to maintain adequate disclosure and transparency with stakeholders.</p> <p>The requisite information / details are disclosed on the Company's website pursuant to the SEBI regulations.</p> <p>The Company also undertakes various compliances with respect to applicable regulatory provisions.</p> | Negative |
| 6. | Economic Performance | O | Economic performance is crucial for an AMC as it directly impacts its ability to generate returns for investors. A robust economy provides a favorable environment for businesses to thrive, increasing the value of investments held by the mutual fund. Strong economic performance is thus pivotal for sustained growth and investor satisfaction. | As Economic Performance is an opportunity, no mitigation approach is required. | Positive |
| 7. | Business Ethics and Values | O | The growth based on the Company's values, principles, standards and norms of behaviour would result into several advantages to the Company. These can include company's honesty, moral uprightness, truthfulness, codes of conduct and ethics. | <p>As Business Ethics and Values are opportunities, no mitigation approach is required.</p> <p>However, the Company has framed Fiduciary Duty Policy which is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ which promotes the idea of a fiduciary duty to maintain high standards of integrity and fairness in the conduct of business and keep the interest of all our investors paramount in all matters.</p> | Positive |
| 8. | Customer Protection | R | Legal issues or complaints may arise from failure to manage transparency, accuracy and comprehensibility of marketing statements, advertising and product information brochures / prospectus. | <p>The Company has implemented robust compliance frameworks, conducts regular audits, provides transparent and accurate disclosure of information, maintains strong internal controls, adheres to regulatory requirements and prioritizes investor education. By doing so, the Company fosters trust, enhances transparency and protects the interests of its investors.</p> <p>The Company advertises in compliance with the regulatory requirements.</p> | Negative |



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------------------|--|---|---|--|
| 9. | Climate Change | R | Climate change may impact availability of natural resources, due to extreme events (e.g. high intensity cyclones), leading to loss of physical infrastructure like transmission lines, etc. | <p>The Company strives to integrate environmental considerations into investment decisions, engage with companies on sustainable practices, and offer sustainable investment options. A Responsible Investment Policy is also in place, to align the investment mandate towards a low carbon portfolio and a sustainable focused investing criteria in the long-term.</p> <p>The Company has put efforts to understand several emissions arising from its operations and work towards lowering carbon footprint. We have calculated Scope 1 and 2 emissions and in the process of quantifying Scope 3 emissions.</p> <p>The Company has also adopted a Climate Action Policy which is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ which aims to incorporate energy efficient building designs wherever feasible, externally monitor, verify and disclose the Company's GHG emissions every year, encourage usage of public transport or green vehicles (clean & eco-friendly) among employees for their transportation needs etc.</p> | Negative |
| 10. | Occupational Health and Safety | R | Healthy and safe work conditions involve both prevention of physical and mental harm and promotion of employees' health. | <p>Considering the Company being in the service industry, the risk of health and safety is relatively low.</p> <p>The Company has also adopted Employee Health & Safety Policy which is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ which describes a course of action that has been chosen to influence workplace decision-making and guide actions related to workplace health. As workplaces and workspaces are transforming around us, individual & collective well-being have become the focal points with enhanced focus on employee well-being and care. Given the challenges of today's environment, employee burnout is a lurking issue and if not given immediate attention can significantly affect the productivity of the workforce. The policy provides general guidance on a wide range of health and safety arrangements which apply to the Company's business activities.</p> <p>The Company has also built a wellness centre in the Corporate Office for the employees of the Company.</p> | Negative |
| 11. | Diversity and Inclusion | O | A diverse workforce brings a wide variety of people with different experiences, skills, perspectives and insights together to solve problems and also leads to innovation, creativity and strategic thinking. | <p>As Diversity and Inclusion is an opportunity, no mitigation approach is required.</p> <p>However, the Company has also adopted a Diversity & Inclusion Policy which is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ to create an inclusive workplace and leverage the power of diversity for sustainable competitive advantage, economic growth and societal progress; where employees from different backgrounds may function without any barriers and with equal opportunity to participate, develop and contribute freely and equitably.</p> | Positive |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|--|--|
| 12. | Human Rights | ○ | Incorporating human rights into the Company's strategies would help to create its value among employees and increases their productivity and profitability. | As Human Right is an opportunity, no mitigation approach is required. | Positive |
| 13. | Investor Awareness Programmes / Financial Literacy | ○ | As a leading AMC, it is the Company's duty to undertake an investor awareness programme to promote proper understanding of the concept and working of mutual funds / investment schemes. The Company's systems track performance metrics like dissemination of information on financial literacy through various channels and outreach programmes with the customers and the society at large. | As Investor Awareness Programmes / Financial Literacy is an opportunity, no mitigation approach is required. | Positive |
| 14. | Waste Management | ○ | Waste is an ecological hazard. Organizations are legally bound to manage and dispose their wastes properly. | As Waste Management is an opportunity, no mitigation approach is required. | Positive |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|---|---|---|---|---|---|----------------|---|----------------|
| Policy and management processes | | | | | | | | | |
| 1.a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | Not Applicable | https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/ | Not Applicable |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes / No) | Yes | No | Yes | Yes | No | No | No | No | Yes |



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|---|----------------|----------------|----------------|----------------|-------------------------------|----------------|----------------|---------------|
| Policy and management processes | | | | | | | | | |
| 4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Tata Green Energy Certificate | Not Applicable | Not Applicable | ISO/IEC 27001 |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | The Company has formulated ESG programme implementation roadmap as a part of its overall process of ESG integration into business operations. The roadmap categorizes the identified material issues under different categories of timeline viz. short-term, medium-term and long term. By proactively addressing these challenges, it aims to enhance stakeholders value, foster innovation and drive long-term success while staying at the forefront of responsible corporate practices. | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | An annual sustainability report is prepared based on Global Reporting Initiative (GRI) Standards which will support the Company in improving its overall ESG performance. Further, the Company has complied with the provisions of its various policies relating to Whistle Blower, Human Rights, Corporate Social Responsibility, Responsible Investment etc. | | | | | | | | |

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Dear Members,

I am delighted to present our second Business Responsibility & Sustainability Report, a testament to our commitment towards National Guidelines on Responsible Business Conduct (NGRBC) principles.

At UTI Asset Management Company Limited (UTI AMC), we strive to bring about positive change by giving back to society while valuing and preserving what we have. We have made transformative impacts through our responsible investment practices, environmental initiatives people and communities initiatives and unwavering focus on Environment, Social & Governance. It reflects our ongoing efforts to embed sustainability into every facet of our operations and emphasize on our dedication to creating value for all stakeholders.

Aligned with our beliefs, we are intensifying our emphasis on sustainable investments that uphold robust ESG performance. We aim to demonstrate to our stakeholders that we uphold the highest standards of governance and act responsibly in managing our business. These principles extend to how we treat our employees and serve our communities.

Our Corporate Governance framework is guided by the three Cs – Conviction, Capabilities, and Commitments. The ESG Committee, as a key pillar to our governance structure, supports our commitment to environmental stewardship, health and safety, corporate social responsibility, sustainability, and other pertinent public policy matters in compliance with national and international legal frameworks.

We firmly believe that change begins from within, and our employees are the driving force behind this change. They are our most valuable asset, and we foster a supportive and inclusive work environment. We have implemented various programs to enhance employee well-being, promote diversity and inclusion, and ensure a healthy work-life balance. We recognise that the continued success of our business depends on how we nurture and empower our talent, keeping them future-ready to navigate the evolving business landscape.

Engaging with local communities is a vital aspect of our sustainability journey. Through our focused initiatives in education, health and water conservation, we actively contribute to the betterment of society. As per CSR Policy, we diligently monitor, report and evaluate the impact of the CSR Projects.

We are acutely aware of the climate crisis and the pivotal role financial institutions must play in the transition to a low-carbon economy. This financial year, we successfully transitioned our head office to 100% green-energy electricity, demonstrating our commitment to renewable energy. Additionally, we have implemented a water recycling facility, enabling us to recycle over 8,000 Kilolitres of waste water.

By integrating ESG principles into our investment strategies, we aim to cultivate resilient portfolios that generate sustainable value for our stakeholders. Our journey toward sustainability is one of continuous improvements, and we remain resolute in leading the change towards a sustainable future.

Thank you for your unwavering support and partnership as we collectively strive to create a better world.

Sincerely,

Imtaiyazur Rahman

Managing Director & Chief Executive Officer

(DIN: 01818725)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

| | |
|-------------------------|---|
| Name | Mr. Imtaiyazur Rahman |
| DIN | 01818725 |
| Designation | Managing Director & Chief Executive Officer |
| Telephone number | 022 6678 6666 |
| E-mail id | investor.relations@uti.co.in |

9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes. The Board-level ESG Committee was constituted which *inter-alia* provides guidance, leadership and necessary oversight for embedding ESG aspects into the business strategy, engages with the stakeholders by overseeing communications concerning ESG aspects, monitors and assesses development and improves the organization's understanding of ESG aspects and ensures efficient and timely disclosure of ESG aspects to stakeholders.

The Composition of ESG Committee is as under:

| Name | Designation | DIN | Category |
|--------------------------|--------------------------------------|----------|----------|
| Mr. Flemming Madsen | Non-Executive Nominee Director | 02904543 | Chairman |
| Mr. Narasimhan Seshadri | Non-Executive - Independent Director | 03486485 | Member |
| Mr. Rajeev Kakar | Non-Executive - Independent Director | 01888608 | Member |
| Ms. Dipali Hemant Sheth | Non-Executive - Independent Director | 07556685 | Member |
| Mr. Kiran Kumar Taranian | Non-Executive Nominee Director | 09637366 | Member |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually / Half yearly/ Quarterly / Any other - please specify) | | | | | | | | |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|--------|--------|--------|--------|--------|--------|--------|--------|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Annual | Annual | Annual | Annual | Annual | Annual | Annual | Annual | Annual |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Comm- ittee of the Board | Annual | Annual | Annual | Annual | Annual | Annual | Annual | Annual | Annual |

| | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency. | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| | No | No | No | No | No | No | No | No | No |



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business (Yes / No) | Not Applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes / No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes / No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|--------------------------|--|--|---|
| Board of Directors | 11 | The topics of trainings were as follows: 1. mutual fund industry and business model of the Company; 2. various system and policies adopted by the Company; 3. Indian and Global market update; 4. corporate governance framework; 5. risk management framework; and 6. digitization of business process etc. The above trainings helped to improve the performance and governance level of directors and the Company. | 100% |
| Key Managerial Personnel | 3 | The topics of trainings were as follows: 1. Prevention of Sexual Harassment; 2. Data protection and cyber security; 3. Anti-Money Laundering and 4. Whistle Blower. The above trainings helped to improve the performance and governance level of KMP and the Company. | 100% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|---|---|
| Employees other than BoD and KMPs | 37 | <p>The topics of trainings were relating to the following:</p> <ol style="list-style-type: none"> 1. Sales and Marketing; 2. Digital marketing; 3. Human Resource practices & compliances; 4. Excel trainings; 5. Corporate Governance practices and compliances; 6. Cyber security etc. <p>The above trainings helped improve employee productivity and ensured compliance with regulatory provisions and policy of the Company.</p> | 84% |
| Workers | 0 | Not Applicable | 0% |

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format:

| Monetary | | | | | |
|-----------------|-----------------|---|---------------|---|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes / No) |
| Penalty / Fine | Principle 3 | Pension Fund Regulatory and Development Authority | 5,00,000 | PFRDA issued an order dated 4th May, 2022 under Section 30, of the PFRDA Act, 2013 and PFRDA (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015, whereby a monetary penalty of ₹5.00 lacs was imposed on UTI AMC Limited for violation of certain provisions of PoP Regulations, 2018 and PFRDA Act, 2013. The penalty has been remitted to PFRDA on 20th May, 2022. | No |
| Settlement | Nil | Nil | 0 | Nil | No |
| Compounding fee | Nil | Nil | 0 | Nil | No |
| Non-Monetary | | | | | |
| | NGRBC Principle | Name of the regulatory / enforcement agencies / judicial institutions | | Brief of the Case | Has an appeal been preferred? (Yes / No) |
| Imprisonment | Nil | Nil | | Nil | No |
| Punishment | Nil | Nil | | Nil | No |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)**

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory / enforcement agencies / judicial institutions |
|----------------|---|
| Not Applicable | Not Applicable |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes.

The Company places utmost importance on the values of honesty, integrity, quality and trust in dealing with investors and managing their investments. In order to further strengthen the good governance in dealing with investors' money, an 'Anti Bribery Policy' has been framed and implemented. All employees of the Company are bound to abide by the policy and instructions mentioned therein.

UTI AMC is committed to the policy against illegal payments and other corrupt practices. Bribery and illegal payments are incompatible with UTI AMC's values and present significant risks to its constituents. In line with this commitment, the anti-bribery policy against illegal payments have been made a part of UTI AMC's vigilance & compliance programs.

The Company also has Anti-fraud Policy which emphasizes on prevention, detection, reporting and investigation of frauds or attempted frauds.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

| | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|-----------|--|---|
| Directors | 0 | 0 |
| KMPs | 0 | 0 |
| Employees | 0 | 0 |
| Workers | 0 | 0 |

6. Details of complaints with regard to conflict of interest:

| | FY 2022 – 23 Current Financial Year | | FY 2021 – 22 Previous Financial Year | |
|--|--|----------------|---|----------------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 | Not Applicable | 0 | Not Applicable |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 0 | Not Applicable | 0 | Not Applicable |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|---|
| 590 | 1. Mutual Fund Taxation; 2. Training for Intern Mutual Fund Distributors; 3. UTI Products; 4. Regulatory Requirements; 5. Market Outlook; and 6. RBI Monetary Policy etc. | 100% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| Total number of awareness programmes held | Topics / principles covered under the training | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|---|
| 88 | <ol style="list-style-type: none"> 1. Retaining SIP Customers; 2. Innovative ways to increase sales; 3. Training on Fixed Income; 4. Financial Mathematics; 5. UTI Products; and 6. Market Outlook, etc. | 100% |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes.

- a. The Company's 'Code of Conduct for Board of Directors and Senior Management Personnel' requires directors and senior management to refrain from engaging in any business, relationships or activities which detrimentally conflicts with the Company's best interests or bring discredit to the Company. This directive serves to maintain the Company's integrity and ensure its stakeholders' trust.
- b. Under the aforementioned code the disclosure relating to the compliance with the Code from directors and senior management is taken annually which includes the affirmation that they are not engaged in any activity which conflicts with the interest of the Company.
- c. In accordance with Section 184 of the Companies Act, 2013, and the relevant provisions of SEBI (Mutual Funds) Regulations, 1996, directors submit the statutory disclosures periodically which includes all entities in which the directors have interests or concerns, including shareholdings.
- d. The Company's 'Policy on materiality of Related Party Transactions and dealing with Related Party Transactions' classifies all entities, where any Director holds interests or concerns, as related parties. Accordingly, the Committee / Board's approval is obtained before engaging in any transactions with such entities. This process ensures transparency, adherence to regulatory requirements and proper oversight in dealings with related parties.
- e. By strictly following these guidelines and obtaining requisite approvals, the Company upholds its commitment to ethical conduct and effective governance, thereby avoiding conflict of interest.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | Current Financial Year | Previous Financial Year | Details of improvements in environmental and social impacts |
|-------|------------------------|-------------------------|--|
| R&D | 0 | 0 | The Company is engaged in service industry. This disclosure is not applicable. |
| Capex | 7% | 6%* | <p>For FY 2021-22 – New Voltas Chiller plants</p> <p>The Company is using chiller plants with R134-a refrigerant gas which is eco-friendly to the environment.</p> <p>It also has a variable frequency drive (VFD) through which the chiller can be operated at part load and which will save energy.</p> <p>For FY 2022-23 – Sewage Treatment Plant (STP)</p> <p>The STP is installed which treats the flushing water of corporate office and the same is re-used for watering plants in office premises and cooling of tower used in heating, ventilation and air conditioning system.</p> |

*There is a change in methodology of calculation of percentage of Capex from previous financial year. Therefore, amount is different from the previous financial year.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****2. a. Does the entity have procedures in place for sustainable sourcing? (Yes / No)**

No

b. If yes, what percentage of inputs were sourced sustainably?

0%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company is in service industry. Therefore, the aforementioned disclosures is not applicable.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**Essential Indicators****1. a. Details of measures for the well-being of employees:**

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---------------------------------------|--------------|---------------------------|-------------|--------------------|-------------|--------------------|------------|--------------------|------------|---------------------|-------------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 960 | 960 | 100% | 960 | 100% | 0 | 0% | 960 | 100% | 960 | 100% |
| Female | 351 | 351 | 100% | 351 | 100% | 351 | 100% | 0 | 0% | 351 | 100% |
| Total | 1,311 | 1,311 | 100% | 1,311 | 100% | 351 | 27% | 960 | 73% | 1,311 | 100% |
| Other than Permanent Employees | | | | | | | | | | | |
| Male | 3 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 3 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |

b. Details of measures for the well-being of workers:

| Category | Total (A) | % of workers covered by | | | | | | | | | |
|-------------------------------------|-----------|-------------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Other than Permanent workers | | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

| Benefits | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|----------------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y / N / N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y / N / N.A.) |
| PF | 77% | 0% | N.A. | 100% | 0% | N |
| Gratuity | 100% | 0% | Y | 100% | 0% | Y |
| ESI | 0% | 0% | N.A. | 0% | 0% | N.A. |
| Others – Please Specify: Pension | 23% | 0% | N.A. | 0% | 0% | N.A. |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The 'Equal Opportunity Policy' is available on the intranet of the Company which is accessible to all employees.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | 0% | 0% |
| Female | 0% | 0% | 0% | 0% |
| Total | 100% | 100% | 0% | 0% |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes / No (If Yes, then give details of the mechanism in brief) |
|-------------------------------|---|
| Permanent Workers | Not Applicable |
| Other than Permanent Workers | Not Applicable |
| Permanent Employee | Yes A Grievance Redressal Policy is framed for Managerial Staff with the aim of providing a transparent and sensitive process for handling grievances and objective resolution within a reasonable time. This policy is available on intranet of the Company which is accessible to all employees. |
| Other than Permanent Employee | Not Applicable |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

| Category | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|----------------------------------|--|---|------------|--|---|------------|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association (s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association (s) or Union (D) | % (D / C) |
| Total Permanent Employees | 1,311 | 354 | 27% | 1,313 | 371 | 28% |
| - Male | 960 | 194 | 20% | 971 | 207 | 21% |
| - Female | 351 | 160 | 46% | 342 | 164 | 48% |
| Total Permanent Workers | 0 | 0 | 0% | 0 | 0 | 0% |
| - Male | 0 | 0 | 0% | 0 | 0 | 0% |
| - Female | 0 | 0 | 0% | 0 | 0 | 0% |

8. Details of training given to employees and workers:

| Category | FY 2022 – 23 Current Financial Year | | | | | FY 2021 – 22 Previous Financial Year | | | | |
|------------------|--|-------------------------------|------------|----------------------|------------|---|-------------------------------|-----------|----------------------|------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| - Male | 963 | 905 | 94% | 792 | 82% | 971 | 0 | 0% | 119 | 12% |
| - Female | 351 | 351 | 100% | 180 | 51% | 342 | 0 | 0% | 30 | 9% |
| Total | 1,314 | 1,256 | 96% | 972 | 74% | 1,313 | 0 | 0% | 149 | 11% |
| Workers | | | | | | | | | | |
| - Male | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| - Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |

9. Details of performance and career development reviews of employees and worker:

| Category | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|------------------|--|------------|------------|---|------------|------------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| - Male | 963 | 769 | 80% | 971 | 762 | 78% |
| - Female | 351 | 191 | 54% | 342 | 178 | 52% |
| Total | 1,314 | 960 | 73% | 1,313 | 940 | 72% |
| Workers | | | | | | |
| - Male | 0 | 0 | 0% | 0 | 0 | 0% |
| - Female | 0 | 0 | 0% | 0 | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0 | 0% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?

Yes.

An Occupational Health and Safety (OHS) Management System has been implemented at the Company. The scope of the said system includes everything under the control or influence of the Company that could impact its OHS performance.

The main objective of OHS is a good, functional and safe workplace. To achieve this, the Company ensures –

- i. Compliance – Statutory and other health and safety obligations are fulfilled;
- ii. Control of Risks – OHS hazards and risks are assessed and mitigated;
- iii. Competence – Employees receive proper health and safety training both in connection to orientation and on the job trainings; and
- iv. Collaboration – Consultation and participation of employees and other stakeholders' actions for each objective are set in annual execution planning.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The processes used by the Company to identify work related hazards at work place includes regular inspections and walk through to visually assess types of equipment, work practices and any potential hazards that could be harmful to employees.

It is impossible to eliminate all risks. However, the Company ensures that material risks are identified and everything which is reasonably practical is done to protect employees from harm.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

N

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes

11. Details of safety related incidents, in the following format:

| Safety Incident / Number | Category | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|---|-----------|---|--|
| Lost Time Injury Frequency Rate (LTIFR) (per one mn-person hours worked) | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company meticulously adheres to a comprehensive compliance framework of regulations and protocols designed to safeguard its workforce from any potential accidents or injuries within the workplace. The Company's unwavering commitment to these measures underscores its dedication in maintaining a safe and secure working environment for all employees.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****13. Number of Complaints on the following made by employees and workers:**

| | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|--------------------|--|---------------------------------------|----------------|---|---------------------------------------|----------------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Health & Safety | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Health and safety practices | 0% |
| Working Conditions | 0% |

15. Provide details of any corrective action taken or underway to address safety – related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of**
(A) **Employees (Y/N)** - Y
(B) **Workers (Y/N)** - N
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
The Company is subject to GST charges imposed by vendors. To maintain a consistent acquisition of input tax credit, it conducts quarterly vendor – wise reconciliations. Should any inconsistencies arise, it promptly engage in regular communications with the respective vendors to address and resolve such matters.
- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**
(Yes / No) - No

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company is engaged in the business of asset management and its stakeholder groups includes unitholders, employees, banks, custodians, distributors, independent financial advisors, business associates, shareholders, regulators, communities etc.

The Company endures to maintain strong relations with all its stakeholder groups. The key stakeholders are identified on the basis of its ability to add value to the Company's business.

Accordingly, the key stakeholders identified are as under:

- Shareholders;
- Employees; and
- Unitholders / Customers.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)
2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes / No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------------|--|--|--|---|
| Shareholders | No | <ul style="list-style-type: none"> • Email; • SMS; • General meetings; • Website; • Stock exchanges website; • Newspaper; advertisements; • Investors calls <i>etc.</i> | Others – Regularly | <ul style="list-style-type: none"> • Registration / updation of KYC details; • Declaration / payment of dividend; • Notice of general meetings / Postal Ballot; • Board meeting intimation / outcome; • Quarterly, half yearly and annual financial statements; • Other disclosures; • Demat Campaign; • Corporate Governance Policies; • Regulatory updates concerning their rights <i>etc.</i> |
| Employees | No | <ul style="list-style-type: none"> • Email; • Intranet website; • Town halls meets; • Audio-video calls; • Cloud-based human resource solution; • Trainings; • Various sales meets; • Recorded training / awareness materials <i>etc.</i> | Others – Regularly | <ul style="list-style-type: none"> • Cross functional interaction; • Seeking feedback; • Quizzes; • Programmes on wellness and health; • Knowledge sharing; • Inductions; • Trainings and development; • Office circulars / orders; • Awareness programs; • Policies and Rules; • Festivals <i>etc.</i> |
| Unitholders / Customers | No | <ul style="list-style-type: none"> • Website - www.utimf.com; • Contact Center (Toll Free no / self-service IVR, Non Toll Free SMS Service); • Email; • WhatsApp / Chatbot; • Co-browsing; • UTI Buddy App; • UTI MF branch offices; • UTI MF Advisors <i>etc.</i> | Others – Regularly | <ul style="list-style-type: none"> • Scheme information; • Education / awareness programs; • Statutory fund performance report; • Regulatory updates concerning their rights; • New Fund Offers; • KYC updation / completion <i>etc.</i> |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****PRINCIPLE 5: Businesses should respect and promote human rights****Essential Indicators**

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|------------------------|--|--|-------------|---|--|-------------|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of employees / workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 1,311 | 1,311 | 100% | 1,313 | 1,313 | 100% |
| Other than permanent | 3 | 3 | 100% | 0 | 0 | 0% |
| Total Employees | 1,314 | 1,314 | 100% | 1,313 | 1,313 | 100% |
| Workers | | | | | | |
| Permanent | 0 | 0 | 0% | 0 | 0 | 0% |
| Other than permanent | 0 | 0 | 0% | 0 | 0 | 0% |
| Total Workers | 0 | 0 | 0% | 0 | 0 | 0% |

2. **Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2022 – 23 Current Financial Year | | | | | FY 2021 – 22 Previous Financial Year | | | | |
|-----------------------------|--|-----------------------|-----------|------------------------|-------------|---|-----------------------|------------|------------------------|------------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 1,311 | 36 | 3% | 1,275 | 97% | 1,313 | 125 | 10% | 1,188 | 90% |
| Male | 960 | 26 | 3% | 934 | 97% | 971 | 114 | 12% | 857 | 88% |
| Female | 351 | 10 | 3% | 341 | 97% | 342 | 11 | 3% | 331 | 97% |
| Other than permanent | 3 | 0 | 0% | 3 | 100% | 0 | 0 | 0% | 0 | 0% |
| Male | 3 | 0 | 0% | 3 | 100% | 0 | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Workers | | | | | | | | | | |
| Permanent | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Other than permanent | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

3. Details of remuneration / salary / wages, in the following format:

| Category | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration / salary / wages of respective category | Number | Median remuneration / salary / wages of respective category |
| Board of Directors (BoD) | 8 | 30,00,000* | 2 | 25,50,000 |
| Key Managerial Personnel | 3 | 1,48,73,339 | 0 | 0 |
| Employees other than BoD and KMP | 960 | 18,50,921 | 351 | 19,98,403 |
| Workers | 0 | 0 | 0 | 0 |

* The remuneration of Board of Directors includes the remuneration paid to Executive Director and the sitting fees paid to the Independent Directors.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has framed an 'Equal Opportunity Policy' which is extended to all current or prospective employees of the Company as well as contractors and visitors, who are vulnerable to discriminatory treatment due to certain individual characteristics. Furthermore, the company has established Internal Committee (IC) to address and resolve grievances related to sexual harassment. Through this policy, all terms of employment, benefits, facilities and services are reviewed from time to time in order to ensure that there is no unlawful direct or indirect discrimination.

The Company upholds an inclusive open-door policy, fostering a harmonious work atmosphere where grievances are addressed to achieve mutual satisfaction. The majority of these concerns find resolution at the supervisory level. To proactively stay tuned to its employees' needs, the Company makes sure to regularly engage in interactions and conduct comprehensive exit interviews. These practices stem from its commitment to nurturing a supportive environment and promoting effective communication within its workforce.

6. Number of Complaints on the following made by employees and workers:

| | FY 2022 – 23 Current Financial Year | | | FY 2021 – 22 Previous Financial Year | | |
|------------------------------------|--|---------------------------------------|----------------|---|---------------------------------------|----------------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Discrimination at workplace | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Child Labour | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Forced Labour / Involuntary Labour | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Wages | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Other human rights related issues | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has framed a 'Whistle Blower Policy'. The policy condemns any kind of discrimination, harassment, victimisation or any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer,

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)**

demotion, refusal of promotion, biased behaviour including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties / functions including making further protected disclosure. The Company takes suitable steps to minimise difficulties which the complainant may experience as a result of making the protected disclosure.

This Policy is to supplement the code of ethics, staff rules, anti-bribery policy and anti-fraud policy of the Company. Through this Policy, the Company intends to encourage its stakeholders to report matters without the risk of subsequent victimisation, discrimination or disadvantage.

8. Do human rights requirements form part of your business agreements and contracts? (Yes / No)

Yes, wherever applicable in the context of services.

9. Assessments for the year:

| | % age of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour | 100% |
| Forced / involuntary labour | 100% |
| Sexual harassment | 100% |
| Discrimination at workplace | 100% |
| Wages | 100% |
| Others – please specify | 0% |

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. –

Not Applicable

Leadership Indicators**1. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|---|--|---|
| Total electricity consumption (A) | 17,110.86 GJ | 16,393.60 GJ |
| Total fuel consumption (B) | 1.95 GJ | 15.44 GJ* |
| Energy consumption through other sources (C) | 1.08 GJ | 1.09 GJ* |
| Total energy consumption (A+B+C) | 17,113.89 GJ | 16,410.13 GJ |
| Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees) | 15.54 | 15.49 |

* There is a change in methodology of calculation for this year. Hence, the energy consumption related information mentioned in the previous report of FY 2021-22, has been updated to match the new methodology.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency. – N

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

- N

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)
3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|--|--|---|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | 0 | 0 |
| (ii) Groundwater | 0 | 0 |
| (iii) Third party water | 25,488.00 | 26,202.00 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 25,488.00 | 26,202.00 |
| Total volume of water consumption (in kilolitres) | 6,644.25 | 6,310.00* |
| Water intensity per rupee of turnover <i>(Water consumed / turnover in rupees)</i> | 6.03 | 1.88* |

* There is a change in methodology of calculation for this year. Hence, the water consumption related information mentioned in the previous report of FY 2021-22, has been updated to match the new methodology.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency. - N

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. - No
5. Details of air emissions (other than GHG emissions) by the entity:

| Parameter | Please specify unit | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|-------------------------------------|---------------------|---|--|
| Nox | Not Applicable | 0 | 0 |
| Sox | Not Applicable | 0 | 0 |
| Particulate matter (PM) | Not Applicable | 0 | 0 |
| Persistent organic pollutants (POP) | Not Applicable | 0 | 0 |
| Volatile organic compounds (VOC) | Not Applicable | 0 | 0 |
| Hazardous air pollutants (HAP) | Not Applicable | 0 | 0 |
| Others – please specify | Not Applicable | 0 | 0 |

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

| Parameter | Unit | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
|--|---|---|--|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 8.74 | 44.48* |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 2,100.70 | 3,397.67* |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | | 1.91 | 1.01* |

*There is a change in methodology of calculation of Scope 1 and Scope 2 emissions for this year. Hence, emissions mentioned in the previous report of FY 2021 – 22, has been updated to match the new methodology.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency. - N

7. Does the entity have any project related to reducing Green House Gas emission? – No

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****8. Details related to waste management by the entity:**

| Parameter | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|--|--|---|
| Total waste generated (in metric tonnes) | | |
| Plastic waste (A) | 0 | 0 |
| E-waste (B) | 2.36 | 0.05 |
| Bio-medical waste (C) | 0 | 0 |
| Construction and demolition waste (D) | 0 | 0 |
| Battery waste (E) | 0 | 0 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please specify, if any. (G) | 0 | 0 |
| Other Non – hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 26.73 | 11.60 |
| Total (A+B + C + D + E + F + G + H) | 29.09 | 11.65 |

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

| Category of waste | | |
|---------------------------------|--------------|-------------|
| (i) Recycled | 19.44 | 5.00 |
| (ii) Re-used | 0 | 0 |
| (iii) Other recovery operations | 0 | 0 |
| Total | 19.44 | 5.00 |

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

| Category of waste | | |
|---------------------------------|----------|----------|
| (i) Incineration | 0 | 0 |
| (ii) Landfilling | 0 | 0 |
| (iii) Other disposal operations | 0 | 0 |
| Total | 0 | 0 |

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency. - N

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- i. The Company is engaged in the business of providing asset management services and therefore, it doesn't generate any hazardous or toxic chemical waste;
- ii. The waste generated at Corporate Office is segregated into wet and dry waste and then it is collected by municipal authority for disposal;
- iii. An e-waste vendor who is authorized by Central Pollution Control Board, Government of India has also been engaged for disposing-off / recycling the IT assets of the Company in scientific and organized manner; and
- iv. In May 2022, the Company engaged the services of a wet waste management agency and it had successfully processed and decomposed 19.44 tons of wet bio waste sourced from the corporate office. The resulting nutrient-rich manure has been effectively utilised to enhance land fertility as part of Company's sustainable practices.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required*:

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y / N) If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|---|
| 1. | Not Applicable | Not Applicable | N |

*The Company has no operations / offices in / around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year* :

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------|---|--|-------------------|
| Not Applicable | 0 | Not Applicable | No | No | Not Applicable |

* Environmental impact assessments is not applicable to the Company under any law.

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y / N) If not provide details of all such non-compliance - Y

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|----------------|---|---------------------------------------|---|---------------------------------|
| Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

Leadership Indicators

1. Provide break-up of the total energy consumed (in Giga Joules) from renewable and non-renewable sources, in the following format:

| Parameter | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| From renewable sources | | |
| Total electricity consumption (A) | 7,774.42 | 1,292.83 |
| Total fuel consumption (B) | 0 | 0 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total energy consumed from renewable sources (A+B+C) | 7,774.42 | 1,292.83 |
| From non-renewable sources | | |
| Total electricity consumption (D) | 9,336.44 | 15,100.77 |
| Total fuel consumption (E) | 1.95 | 15.44 |
| Energy consumption through other sources (F) | 1.07 | 1.09 |
| Total energy consumed from non-renewable sources (D+E+F) | 9,339.47 | 15,117.30 |

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - N

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****2. Details related to water discharged:**

| Parameter | FY 2022 – 23 Current Financial Year | FY 2021 – 22 Previous Financial Year |
|--|--|---|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| - No treatment | 0 | 0 |
| - With treatment – please specify level of treatment | 0 | 0 |
| (ii) To Groundwater | | |
| - No treatment | 0 | 0 |
| - With treatment – please specify level of treatment | 0 | 0 |
| (iii) To Seawater | | |
| - No treatment | 0 | 0 |
| - With treatment – please specify level of treatment | 0 | 0 |
| (iv) Sent to third – parties | | |
| - No treatment | 0 | 0 |
| - With treatment – please specify level of treatment | 0 | 0 |
| (v) Others | | |
| - No treatment | 11,627.58 | 18,930.00* |
| - With treatment – please specify level of treatment | 8,305.00 (Approximately) PH - 7.63 and TDS 420 | 0 |
| Total water discharged (in kilolitres) | 19,932.58 | 18,930.00 |

*There is a change in the methodology of calculation from previous year. Accordingly, previous year figures have been re-grouped.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – N

3. Details of total Scope 3 emissions & its intensity:

| Parameter | Unit | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year* |
|---|---|--------------------------------------|--|
| Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 3.006 | 2.004 |
| Total Scope 3 emissions per rupee of turnover | Per rupee | 0.003 | 0.001 |

*There is a change in methodology of calculation of Scope 3 emissions for this year. Hence, emissions mentioned in the previous report of FY 2021 – 22, has been updated to match the new methodology.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) .If yes, name of the external agency. – N

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---------|------------------------|--|--|
| 1. | Wet Waste Management | The Company has appointed a wet waste management agency in the month of May 2022. | The agency through its expertise has successfully processed and decomposed 19.44 tons of wet bio waste sourced from the corporate office. The resulting nutrient-rich manure has been effectively utilised to enhance land fertility as a part of the sustainable practices. |
| 2. | Sewage Treatment Plant | The Company has installed the Sewage Treatment Plant at corporate office, which will treat the flushing water. | The facility commenced operations on 1st November, 2022, effectively managing the treatment of 8,305 kilolitres of water during the preceding year. |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company has Business Continuity Management (BCM) policy which contains operational procedures that guide the organization to respond, recover, resume and restore to a pre-defined level of operation following a disruption. In case of primary working site (UTI Tower) is partially / fully unavailable and inaccessible, an alternate working procedure has been defined and in case the applications outage is observed from the UTI Tower data centre, a Disaster Recovery (DR) site is available from where the applications can be accessed over the Internet.

Business continuity and disaster recovery strategies & plans are developed, implemented, tested, maintained and operated appropriately for supporting all the critical service lines / processes. These are managed in accordance with the objectives mentioned in the policy document.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations.

6

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

| S. No. | Name of the trade and industry chambers / associations | Reach of trade and industry chambers / associations (State / National) |
|--------|--|--|
| 1. | Association of Mutual Funds in India (AMFI) | National |
| 2. | Confederation of Indian Industry | National |
| 3. | Institute of Banking & Finance | National |
| 4. | Indian Chamber of Commerce | National |
| 5. | Centre of Corporate Governance, New Delhi | National |
| 6. | Bombay Chamber of Commerce and Industry | State |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Nil | Not Applicable | Not Applicable |

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| Sr. No. | Public Policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes / No) | Frequency of Review by Board (Annually / Half yearly / Quarterly / Others) | Web link, if available |
|---------|--|---|--|--|---|
| 1. | The Association of Mutual Funds in India (AMFI) is the organization dedicated to developing the Indian mutual fund industry. The Company is the member of AMFI. The AMFI, <i>inter-alia</i> , has following objectives: i. To promote best business practices and code of conduct to be followed by members and others engaged in the activities of mutual fund and asset management including agencies connected or involved in the field of capital markets and financial services; and ii. To protect the interest of investors / unit holders. | The officials of the Company are part of various committees formed by AMFI on the matters relating to financial literacy, certified distributors, exchange traded funds, operations, compliance risk and valuation. | Yes | Other: Regularly | https://www.amfiindia.com/know-about-amfi |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****PRINCIPLE 8: Businesses should promote inclusive growth and equitable development****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year*.**

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

* SIA is not applicable to the Company under any law.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity*:

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|----------------|--|----------------|----------------|---|--------------------------|---------------------------------------|
| Not Applicable | Not Applicable | Not Applicable | Not Applicable | 0 | 0% | 0 |

* None of the projects undertaken by the Company requires any R&R.

3. Describe the mechanisms to receive and redress grievances of the community.

Being engaged in the realm of asset management business, the Company's core operations may not have a direct impact on the larger community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year* |
|--|--------------------------------------|--|
| Directly sourced from MSMEs / small producers | 1.94% | 1.47% |
| Sourced directly from within the district and neighbouring districts | 21.92% | 19.75% |

*There is a change in the methodology of calculation from previous year. Accordingly, previous year figures have been regrouped.

Leadership Indicators**1. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

| S. No. | State | Aspirational District | Amount spent (In ₹) |
|--------|-----------|-------------------------------|---------------------|
| 1. | Jharkhand | Hazaribagh, Giridih & Koderma | 72,77,100* |
| 2. | Rajasthan | Jaisalmer | 1,50,36,335 |

*The project was sanctioned in FY 2021-22 with corpus of ₹1,45,54,200 out of which ₹ 72,77,100 was disbursed during FY 2022-23.

2. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|--------|---|---|--|
| 1. | Cardiac Diseases – Awareness, Screening & Treatment | 15,500 | 100% |
| 2. | Young India – Facilitating the sustainable future of youth in Jharkhand | 3,300 | 100% |
| 3. | UTI AMC Scholarship & Co-building Ashoka | 27 | 60% |
| 4. | Enhancing Water Security & Health in Thar Desert – Phase II | 12,000 | 100% |
| 5. | The Municipal School Project – Natwar Nagar Mumbai Public School | 396 | 100% |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|--------|--|---|--|
| 6. | Sponsorship of Holistic Education, Lodging & Boarding of 50 visually impaired Children | 50 | 100% |
| 7. | Inclusive School for Differently abled Children | 225 | 100% |
| 8. | Clinical Sessions for children with developmental disabilities | 180 | 100% |
| 9. | Procurement of equipment for Robotic Surgeries for BPL patients of Department of Urology | 100 | 100% |
| 10. | Project DRISHTI | 150 | 100% |

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Grievance resolution for Investors and Advisors: The Company has a comprehensive mechanism to handle investor complaints.

Link: - <https://www.utimf.com/servicerequest/grievances-redressal-process/>

The mechanism encompasses the following:

- i. Suggested process for resolution of grievances by Investors & Financial Advisors;
- ii. Reporting of cyber security incidence;
- iii. Grievance resolution for Investors and Advisors;
- iv. E-mail at uti@kfintech.com;
- v. Mail the feedback to service@uti.co.in;
- vi. Advisors / Investors can also visit the nearest UTI Financial Centre (UFC) for registering complaints or feedback; UFC locations can be searched on the website at the link: <http://www.utimf.com/help/uti-offices/>
- vii. Reaching Registrar and Transfer agent with queries;
- viii. Lodging complaints at www.utimf.com; and
- ix. Timelines for responding to queries.

The Company's website also has an online form for submitting feedback / suggestion / complaint / query at <https://www.utimf.com/help/write-to-us/>.

Also, the link to SEBI scores website and to download SEBI scores mobile app is available on the Company's website at <https://www.utimf.com/help/write-to-us/>.

The Company also receives the investors' complaints through stock exchanges.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 0% |
| Safe and responsible usage | 100%* |
| Recycling and / or safe disposal | 0% |

**The Company is in the business of asset management services and prepares Scheme Information Document (SID) and Key Information Memorandum (KIM) which provides the information about the mutual fund schemes launched by it. Further, it complies with all the disclosure requirements prescribed by SEBI and AMFI. Its services do not have any environmental or social impact.*

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)
3. Number of consumer complaints in respect of the following:

| | FY 2022 – 23 Current Financial Year | | Remarks | FY 2021 – 22 Previous Financial Year | | Remarks |
|--------------------------------|--|-----------------------------------|---|---|-----------------------------------|---|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Advertising | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Cyber-security | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Delivery of essential services | 104 | 0 | Not Applicable | 83 | 0 | Not Applicable |
| Restrictive Trade Practices | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Unfair Trade Practices | 0 | 0 | Not Applicable | 0 | 0 | Not Applicable |
| Other | 16 | 129 | The Consumer Cases are pending with respective judicial authority | 20 | 170 | The Consumer Cases are pending with respective judicial authority |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0 | Not Applicable |
| Forced recalls | 0 | Not Applicable |

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

Yes.

- i. The Company has Information Security (IS) and Cyber Security and Cyber Resilience (CSR) policies. These policies are available on intranet of the Company which is accessible to all employees; and
- ii. The Privacy policy is available on the Company's website at <https://www.utimf.com/about/disclaimer/privacy-policy>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The grievances relating to the provision of essential services, as mentioned in question number 3, pertains to UTI Mutual Fund investors. These specific complaints are addressed in accordance with the regulatory framework and guidelines established by SEBI, ensuring compliance and adherence to industry standards.

Also necessary actions, if any, are being taken by the Company on case to case basis on the advice or direction of the respective regulatory authorities.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on each of the UTI MF's schemes are made available on multiple platforms including website, B2C applications and B2B applications. The information is also available at Company's 167 UFCs. Further, the Company offers full-fledged call centre services for helping investors with relevant information and aims to achieve maximum customer satisfaction. Following is the summarised information:

1. Website of the Company: www.utimf.com
2. Contact Center: Toll Free no on 1800 266 1230 (24 X 7 Toll free self-service IVR (+91) 022 6227 8000- Non Toll Free)
3. SMS Service- SMS to 5676756 – to receive call back from us.
4. E-mail address: service@uti.co.in
5. What app no: 7208081230
6. Missed Call no.:7208085692/8655097225/8655019940
7. UTI MF Mobile Application viz 'UTI Buddy' is available on the following link:
 - a. IOS: <https://apps.apple.com/in/app/uti-buddy/id1011695158>
 - b. Android: <https://play.google.com/store/apps/details?id=com.utimutualfunds.utibuddy>
8. UTI MF Offices: <https://www.utimf.com/help/uti-offices/>
9. UTI MF Advisors: <https://www.utimf.com/help/find-an-advisor/>
10. Official point of acceptance: <https://www.utimf.com/help/official-point-of-acceptance/>

The Company's website endeavours to provide scheme level information across all its offering. The scheme related information on the Company's website *inter-alia* includes the following:

1. All the statutory disclosures relating to mutual fund schemes / business is available at <https://www.utimf.com/about/statutory-disclosures/>.
2. All the media related disclosures are available at <https://www.utimf.com/about/media/media-kit/>.
3. The disclosures related to risk metrics, investment purpose and horizon, exit load *etc.* are available at <https://www.utimf.com/mutual-fund-schemes/> *etc.*
4. Investors can access to downloadable two pager document called product guide and standalone scheme presentation on each of the scheme page which provides a comprehensive information of the schemes.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company does specific investment category associated communication on categories like large cap, mid-caps, active investing, passive investing *etc.* with an intention to educate about the features of the category, its suitability *etc.* with an aim to aid investors to make an apt decision while investing. The communication is done *via* different medium (like paid media, social media, emailers, SMS, Whatsapp *etc.*) and formats such as AVs, GIFs, infographics, listicles, articles *etc.*

On the product front, UTI MF always puts in its best effort to ensure that there is complete transparency in terms of all the know-how of its products. It ensures that the investors are clearly communicated about the risk-grade of every product. It places strong emphasis on product fundamentals which is periodically communicated to investors. All critical information ranging from product strategy, portfolio structure, impact of macro or micro economic trends on the funds, investment philosophy *etc.* are communicated to investors on a regular basis.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

In case of any disruption of services either planned or unplanned related to Digital platforms (website, mobile app, chatbot *etc.*), the Company informs the customers with reason of unavailability as well as expected time of resolution. It also proactively informs the customers on availability of other channels.

The Company also updates its contact centre agents regarding any planned / unplanned outage, so that they can handle customer queries.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2022-23 (Contd.)****4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company prepares Scheme Information Document and Key Information Memorandum which provide the information about the mutual fund schemes launched by it. Further, it complies with all the disclosure requirements prescribed by SEBI and AMFI.

Yes, customer satisfaction surveys are conducted through contact centres after voice or non-voice interactions with the investor to gauge Company's net promoter score. During the FY 2022-23, the average net promoter score stood at 92.30%.

The form for submitting feedback / suggestion is available on Company's website at <https://www.utimf.com/help/write-to-us/>.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact:
0
- b. Percentage of data breaches involving personally identifiable information of customers:
0%

Arvind Patkar
Company Secretary and Compliance Officer
(Membership No.: ACS 21577)

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)



UTI ASSET MANAGEMENT COMPANY LIMITED

Standalone Financial Statement

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INDEPENDENT AUDITOR'S REPORT

To the Members of UTI Asset Management Company Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of UTI Asset Management Company Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How the matter was addressed in our audit |
|--|---|
| <p>Revenue Recognition: Investment Management Fee (Refer to the Significant Accounting Policy 2.6 - Revenue Recognition and Note 26 to the standalone financial statements - Revenue from Operations)</p> <p>The Company's most significant revenue stream involve investment management fees from the schemes of UTI Mutual Fund representing 79.19% of the total revenue from operations of the Company.</p> <p>We have identified revenue from investment management fees as a key audit matter since –</p> <ul style="list-style-type: none"> • there are inherent risks in computation of investment management fees due to manual input of key contractual terms and computation of applicable assets under management ("AUM"), which could result in errors. • multiple schemes of UTI Mutual Fund require effective monitoring over key financial terms and conditions being captured and applied accurately. Any discrepancy in such computations could result in misstatement of investment management fee recognized in the standalone financial statements. | <p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>Testing of design and operating effectiveness of controls:</p> <ul style="list-style-type: none"> • Testing on a sample basis, authorization controls relating to input and subsequent modification of investment management fee rate in the system through specific team members ("STM") with expertise in Information Technology ("IT"). • Testing general information technology controls of the systems used for computation and recording of investment management fees through STM with expertise in IT. • Testing system logic of computation through STM with expertise in IT. • Testing on a sample basis, review controls over accrual of investment management fee in the system. • Examining the monthly concurrent auditor reports on daily net assets value computation of the schemes of UTI Mutual Fund. <p>Substantive tests:</p> <ul style="list-style-type: none"> • Testing investment management fee rates approval by authorised personnel. • Testing key inputs into the IT systems in relation to investment management fee accounting with source documents, and re-performed calculations involving manual processes, on a sample basis. • Testing the investment management fee invoices with the underlying supporting and reconciling it with the accounting records. • Testing the receipts of investment management fee income in the bank statements. • Examining the monthly concurrent auditor reports on daily net assets value computation of the schemes of UTI Mutual Fund and impact of observations on investment management fees. |

INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matter | How the matter was addressed in our audit |
|--|--|
| <p>Information Technology (IT) systems and controls</p> <p>The Company's key financial accounting and reporting processes are dependent on the automated controls in the information systems. There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated.</p> | <p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence for the scoped in application:</p> <ul style="list-style-type: none"> • Evaluating the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system computation, and the consistency of data transmission. • Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. • Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. • Testing change management control for information technology application / General IT controls which were changed during the year. • Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. • Performing alternate procedures by testing compensatory controls for areas where IT controls were not relied upon. • Inspecting SOC 1 type 2 report issued as per Standards for Attestation Engagement No. 18 (SSAE 18) and International Standards for Assurance Engagements No. 3402 (ISAE 3402) for database and operating controls residing at the service provider. |

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

INDEPENDENT AUDITOR'S REPORT (Contd.)

to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 2 A. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 32 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 - (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement.
 - e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

INDEPENDENT AUDITOR'S REPORT (Contd.)

As stated in Note 44 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid / payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid / payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Sameer Mota
Partner

Place: Jaipur
 Date: 26 April 2023

Membership No.: 109928
 ICAI UDIN: 23109928BGYAXN9859

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right of Use assets and Investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment, Right of Use assets and Investment property by which all property, plant

and equipment, Right of Use assets and Investment property are verified every year. In accordance with this programme, all property, plant and equipment, right of use assets and investment property were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following where the Company is a lessee and lease agreements are not duly executed in the favour of lessee:

| Description of property | Gross carrying value (Rs. In Crore) | Held in the name of | Whether promoter, director or their relative or employee | Period held- indicate range, where appropriate | Reason for not being held in the name of the Company. Also indicate if in dispute |
|--|-------------------------------------|---|--|--|---|
| 16/77 Civil Lines, Kanpur. Uttar Pradesh - 208001 | 1.07 | Mr. Dipankar Ganguly | No | 6 July 2022 | Agreement is not executed in the name of the Company until 31 March 2023. A lease letter has been signed between the lessor and the lessee. The lease is not under dispute. |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat - 390007 | 0.48 | Mrs. Taraben Pravinbhai Patel | No | 16 August 2022 | |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat - 390007 | 0.96 | M/s A. S. Motors | No | 16 August 2022 | |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat - 390007 | 0.50 | Mrs. M Meharunisha Begum | No | 26 October 2022 | |
| B-6, Ground Floor, S. K. Plaza, Bhilwara, Rajasthan - 311001 | 0.44 | Mohan Bhai Desai | No | 5 February 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.12 | Mrs. Ayishabi | No | 15 March 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Mymoona Aydeed a.k.a Shereefa Mymoona | No | 15 March 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Sayed Mohammed Ashraf Aydeed | No | 15 March 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Deepa Sanjay Patel | No | 24 March 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Rupa Vipul Patel | No | 24 March 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Mona Parag Shah | No | 24 March 2023 | |

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering asset management and advisory services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets. As per the sanction terms, the Company is not required to file quarterly returns or statements with the bank.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments and granted unsecured loan to a company in respect of which requisite details are as below:

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loan to a subsidiary as below:

| Particulars | Loans (Rs. in crore) |
|--|---------------------------------|
| Aggregate amount during the year | 3.00 |
| - Subsidiary* | |
| Balance outstanding as at balance sheet date | NIL |
| -Subsidiary* | |

*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made during the year and the terms and conditions of the grant of a loan provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided any guarantee or given security or granted any advances in the nature of loans during the year.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instance of loan falling due during the year was renewed by a fresh loan:

| Name of the party | Aggregate amount of loan renewed (Rs. in crore) | Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year |
|-----------------------------|--|--|
| UTI Capital Private Limited | 3.00 | 21% |

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident Fund, Income tax, Professional Tax, Cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in few cases of depositing Income tax.

| Name of the statute | Nature of the dues | Amount (Rs. in crore) | Period to which the amount relates | Forum where dispute is pending | Remarks, if any |
|----------------------|-------------------------|-----------------------|------------------------------------|---------------------------------|-------------------------------------|
| Income Tax Act, 1961 | Income Tax and Interest | 5.26 | 2008-2009 | Income Tax Appellate Tribunal | - |
| | | 0.74 | 2011-2012 | | Amount has been paid under protest. |
| | | 0.78 | 2012-2013 | | |
| | | 2.28 | 2009-2010 | National Faceless Appeal Centre | - |
| | | 120.32 | 2019-2020 | Assessing Officer | - |
| | | 51.81 | 2020-2021 | CPC Income Tax | - |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident Fund, Income tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income tax dues which have not been deposited on account of any dispute are as follows:

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. During the year, the Company did not have associates or joint ventures as defined under the Act.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). During the year, the Company did not have associates or joint ventures as defined under the Act.

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Company's annual report is expected to be made available to us after the date of this auditor's report.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**

Chartered Accountants

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

Sameer Mota

Partner

Place: Jaipur

Membership No.: 109928

Date: 26 April 2023

ICAI UDIN: 23109928BGYAXN9859

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(REFERRED TO IN PARAGRAPH [2(A)(F)] UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

Opinion

We have audited the internal financial controls with reference to financial statements of UTI Asset Management Company Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed

under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial

controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Sameer Mota
Partner

Place: Jaipur
Date: 26 April 2023

Membership No.: 109928
ICAI UDIN: 23109928BGYAXN9859

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2023

(₹ in crore)

| Particulars | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|---|----------|------------------------|------------------------|
| I. ASSETS | | | |
| (1) Financial assets | | | |
| (a) Cash and cash equivalents | 3 | 94.55 | 20.17 |
| (b) Bank balance other than (a) above | 4 | 122.88 | 119.38 |
| (c) Receivables | 5 | 52.88 | 39.08 |
| (i) Trade receivables | | | |
| (ii) Other receivables | | - | 0.14 |
| (d) Loans | 6 | 11.46 | 16.60 |
| (e) Investments in subsidiaries | 7 | 238.24 | 216.19 |
| (f) Investments | 8 | 2,640.87 | 2,553.07 |
| (g) Other financial assets | 9 | 10.84 | 66.30 |
| Total Financial Assets | | 3,171.72 | 3,030.93 |
| (2) Non - financial assets | | | |
| (a) Current tax assets (Net) | 10 | 37.86 | 37.85 |
| (b) Investment property | 11 | 9.17 | 9.69 |
| (c) Property, plant and equipments | 12 | 258.58 | 246.66 |
| (d) Right of use assets | 13 | 93.13 | 89.94 |
| (e) Capital work-in-progress | 14 | 6.48 | 6.55 |
| (f) Intangible assets under development | 15 | 2.58 | 1.78 |
| (g) Other Intangible assets | 16 | 3.64 | 6.57 |
| (h) Other non financial assets | 17 | 35.32 | 19.65 |
| Total Non - Financial Assets | | 446.76 | 418.69 |
| TOTAL ASSETS | | 3,618.48 | 3,449.62 |
| II. LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| (1) Financial liabilities | | | |
| (a) Payables | | | |
| (i) Trade payables | 18 | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 0.54 | 0.38 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 53.34 | 33.47 |
| (ii) Other payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 46.08 | 52.04 |
| (b) Other financial liabilities | 19 | 124.90 | 156.66 |
| Total Financial Liabilities | | 224.86 | 242.55 |
| (2) Non- financial liabilities | | | |
| (a) Current tax liabilities (Net) | 20 | 9.48 | 6.73 |
| (b) Provisions | 21 | 5.17 | 18.30 |
| (c) Deferred tax liabilities (Net) | 22 | 18.02 | 4.51 |
| (d) Other non financial liabilities | 23 | 12.68 | 17.08 |
| Total Non - Financial Liabilities | | 45.35 | 46.62 |
| Equity | | | |
| Equity share capital | 24 | 126.98 | 126.95 |
| Other equity | 25 | 3,221.29 | 3,033.50 |
| Total Equity | | 3,348.27 | 3,160.45 |
| TOTAL LIABILITIES AND EQUITY | | 3,618.48 | 3,449.62 |

Summary of significant accounting policies

2

The accompanying notes form an integral part of the standalone financial statements.

As per our Report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

UTI Asset Management Company Limited

D K Mehrotra

Non Executive Chairman
(DIN: 00142711)

Surojit Saha

Chief Finance Officer

Imtaiyazur Rahman

Managing Director & Chief Executive Officer
(DIN: 01818725)

Arvind Patkar

Company Secretary
(ACS 21577)

Sameer Mota

Partner

Membership Number: 109928

Jaipur

26th April, 2023

Jaipur

26th April, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in crore)

| Particulars | Note No. | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|-------------------|--------------------------------|--------------------------------|
| REVENUE FROM OPERATIONS | 26 | | |
| (i) Interest income | | 21.99 | 8.44 |
| (ii) Lease income | | 13.02 | 11.86 |
| (iii) Net gain on fair value changes | | 147.60 | 129.83 |
| (iv) Sale of services | | 908.96 | 909.50 |
| (I) Total Revenue from operations | I | 1,091.57 | 1,059.63 |
| (II) Other income | II | 9.39 | 0.64 |
| Total Income | III = (I+II) | 1,100.96 | 1,060.27 |
| EXPENSES | 28 | | |
| (i) Finance cost | | 9.52 | 9.15 |
| (ii) Fees and commission expense | | 9.73 | 8.10 |
| (iii) Employee benefits expenses | | 357.28 | 362.47 |
| (iv) Depreciation, amortisation and impairment | | 37.77 | 34.76 |
| (v) Other expenses | | 132.83 | 119.53 |
| Total Expenses | IV | 547.13 | 534.01 |
| Profit/(Loss) before exceptional items and tax | V = (III-IV) | 553.83 | 526.26 |
| Exceptional items | VI | - | - |
| Profit before tax | VII = V-VI | 553.83 | 526.26 |
| Tax expenses | 29 | | |
| Current tax | | 118.40 | 129.00 |
| Deferred tax | | 11.00 | (20.52) |
| Total tax expenses | VIII | 129.40 | 108.48 |
| Profit for the year from continuing operations | IX = VII-VIII | 424.43 | 417.78 |
| Profit / (loss) from discontinued operations | X | - | - |
| Tax expense of discontinued operations | XI | - | - |
| Profit / (loss) from discontinued operations (after tax) | XII = X-XI | - | - |
| Profit for the year | XIII = IX+XII | 424.43 | 417.78 |
| Other comprehensive income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| -Remeasurement of defined benefit liabilities (asset) | 27.1 | 9.95 | 5.15 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| -Tax on remeasurement of defined benefit obligations | 29(A)II | (2.51) | (1.37) |
| Other Comprehensive Income (net of tax) | XIV | 7.44 | 3.78 |
| Total Comprehensive Income | XV = XIII+XIV | 431.87 | 421.56 |
| Earnings per equity share [Face value of ₹10 each] | | | |
| Basic (in ₹) | 31 | 33.43 | 32.94 |
| Diluted (in ₹) | 31 | 33.42 | 32.81 |

Summary of significant accounting policies

2

The accompanying notes form an integral part of the standalone financial statements.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

Sameer Mota
Partner
Membership Number: 109928

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Surojit Saha
Chief Finance Officer

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Arvind Patkar
Company Secretary
(ACS 21577)

Jaipur
26th April, 2023

Jaipur
26th April, 2023

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in crore)

| | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net profit before taxation | 553.83 | 526.26 |
| Adjustment for | | |
| Depreciation, amortisation and impairment | 37.78 | 34.77 |
| Interest income | (21.99) | (8.44) |
| Lease income | (13.02) | (11.86) |
| Finance cost | 9.51 | 9.15 |
| Expenses on the employee stock option plan | 18.19 | 19.86 |
| (Gain) / Loss on fair value changes | (147.60) | (129.83) |
| Amortisation of employee loans | 0.67 | 0.77 |
| Amortisation of rent deposit | - | 0.08 |
| (Gain) / Loss on sale of property, plant and equipments | 0.16 | 0.09 |
| Operating profit before working capital changes | 437.53 | 440.85 |
| ADJUSTMENT FOR CHANGES IN WORKING CAPITAL | | |
| (Increase) / Decrease in Loans | 4.46 | 1.60 |
| (Increase) / Decrease in Trade receivables | (13.79) | (19.58) |
| (Increase) / Decrease in Other receivables | 0.14 | 0.47 |
| (Increase) / Decrease in Other financial assets | 41.30 | (5.21) |
| (Increase) / Decrease in Other non financial assets | (15.67) | (2.18) |
| Increase / (Decrease) in Trade payables | 20.04 | (2.98) |
| Increase / (Decrease) in Other payables | (5.97) | 11.88 |
| Increase / (Decrease) in Other financial liabilities | (38.87) | 7.62 |
| Increase / (Decrease) in Provisions | (3.17) | (16.80) |
| Increase / (Decrease) in Other non financial liabilities | (4.40) | 4.16 |
| | (15.93) | (21.02) |
| CASH GENERATED FROM OPERATIONS | 421.60 | 419.83 |
| (Less) : Income tax paid (net) | (115.66) | (134.57) |
| Net cash generated from operating activities (A) | 305.94 | 285.26 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipments/ Other intangible assets | (79.01) | (55.52) |
| Proceeds from sale of property, plant and equipments | 28.69 | 22.65 |
| Interest income | 7.93 | 8.44 |
| Lease income | 13.02 | 11.86 |
| Purchase of investments | (2,447.12) | (1,894.98) |
| Proceeds from sale of investments | 2,515.00 | 1,838.06 |
| Proceeds from maturity of fixed deposits placed with financial institution | (3.51) | (6.53) |
| Net cash generated from / (used in) from investing activities (B) | 35.00 | (76.02) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (266.62) | (215.54) |
| Principle element of lease payments* | 7.11 | (1.78) |
| Interest element of lease payments* | (9.51) | (9.15) |
| Proceeds from issue of share capital (including securities premium) | 2.49 | 11.72 |
| Share application money pending allotment | (0.03) | 0.03 |
| Net cash used in financing activities (C) | (266.56) | (214.72) |
| Net Increase/ (Decrease) in Cash and cash equivalent (A+B+C) | 74.38 | (5.48) |
| Opening Cash and cash equivalents at the beginning of the year | 20.17 | 25.65 |
| Closing Cash and cash equivalents at the end of the year | 94.55 | 20.17 |
| COMPONENTS OF CASH AND CASH EQUIVALENT | | |
| Cash and cash equivalents | | |
| Balances with banks | 94.55 | 20.17 |
| Cash on hand | - | - |
| | 94.55 | 20.17 |

* The reconciliation of lease liabilities arising from the financial activity is disclosed in Note No 41

Note: The Company has elected to present cash flows from operating activities using the indirect method and items of income or expense associated with investing or financing cash flows are presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
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Arvind Patkar
Company Secretary
(ACS 21577)

Jaipur
26th April, 2023

Jaipur
26th April, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

A EQUITY SHARE CAPITAL

1. Current reporting period:

| Balance at the beginning of the reporting year i.e. 1st April, 2022 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during 1st April, 2022 to 31st March, 2023 | Balance at the end of the reporting year i.e. 31st March, 2023 |
|---|--|---|--|--|
| 126.95 | - | - | 0.03 | 126.98 |

(₹ in crore)

2. Previous reporting period:

| Balance at the beginning of the reporting year i.e. 1st April, 2021 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during 1st April, 2021 to 31st March, 2022 | Balance at the end of the reporting year i.e. 31st March, 2022 |
|---|--|---|--|--|
| 126.79 | - | - | 0.16 | 126.95 |

(₹ in crore)

B OTHER EQUITY

1. Current reporting period:

| Particulars | Share application money pending allotment | Reserves and Surplus | | | | | Total |
|--|---|----------------------|--------------------|----------------------------------|-------------------|----------------------------------|-----------------|
| | | General reserve | Securities Premium | Share option outstanding account | Retained earnings | Other comprehensive Income (OCI) | |
| Opening balance as at 1st April, 2022 (A) | 0.03 | 150.56 | 47.23 | 58.23 | 2,855.69 | -78.24 | 3,033.50 |
| Total Comprehensive Income for the year | - | - | - | - | 424.43 | - | - |
| Profit for the year | - | - | - | - | - | - | - |
| Other comprehensive income - Remeasurement gain/(loss) of the defined benefit plans (net of tax) | - | - | - | - | - | 7.44 | 7.44 |
| Total Comprehensive Income for the year (B) | - | - | - | - | 424.43 | 7.44 | 431.87 |
| Final equity dividend paid | - | - | - | - | (266.62) | - | (266.62) |
| Tax Paid on Final Equity Dividend | - | - | - | - | - | - | - |
| Transfer from Share Options Outstanding Account to Retained Earnings (towards share options exercised) | - | - | - | (0.44) | 0.44 | - | - |
| Additions during the year | - | - | 2.49 | 20.08 | - | - | 22.57 |
| Utilised during the year | (0.03) | - | - | - | - | - | (0.03) |
| Changes during the year (C) | (0.03) | - | 2.49 | 19.64 | (266.18) | - | (244.08) |
| Closing balance as at 31st March, 2023 (A+B+C) | - | 150.56 | 49.72 | 77.87 | 3,013.94 | (70.80) | 3,221.29 |

(₹ in crore)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| Particulars | Share application money pending allotment | Reserves and Surplus | | | | Total | |
|--|---|----------------------|--------------------|----------------------------------|--------------------|----------------|----------------------------------|
| | | General reserve | Securities Premium | Share option outstanding account | Retained earnings* | | Other comprehensive Income (OCI) |
| Opening balance as at 1st April, 2021 (A) | - | 150.56 | 35.61 | 41.02 | 2,648.98 | (82.02) | 2,794.15 |
| Total Comprehensive Income for the year | - | - | - | - | 417.78 | - | 417.78 |
| Profit for the year | - | - | - | - | 417.78 | - | 417.78 |
| Other comprehensive income - Remeasurement gain/(loss) of the defined benefit plans (net of tax) | - | - | - | - | - | 3.78 | 3.78 |
| Total Comprehensive Income for the year (B) | - | - | - | - | 417.78 | 3.78 | 421.56 |
| Final equity dividend paid | - | - | - | (4.47) | (215.54) | - | (215.54) |
| Transfer from Share Options Outstanding Account to Retained Earnings (towards share options exercised) | - | - | - | - | 4.47 | - | - |
| Additions during the year | 0.03 | - | 11.62 | 21.68 | - | - | 33.33 |
| Utilised during the year | - | - | - | - | - | - | - |
| Changes during the year (C) | 0.03 | - | 11.62 | 17.21 | (211.07) | - | (182.21) |
| Closing balance as at 31st March, 2022 (A + B + C) | 0.03 | 150.56 | 47.23 | 58.23 | 2,855.69 | (78.24) | 3,033.50 |

*Refer note 25

Summary of significant accounting policies
The accompanying notes form an integral part of the financial statements.

As per our Report of even date
For **B R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
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Sameer Mota
Partner
Membership Number: 109928

Jaipur
26th April, 2023

Jaipur
26th April, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023

1 CORPORATE INFORMATION

UTI Asset Management Company Limited (the 'Company') is a Public Limited Company domiciled in India. The Company was incorporated on 14th November, 2002 under the Companies Act, 1956 with an object to carry on activities of rendering investment management services to the schemes of UTI Mutual Fund (the 'Fund'). The Company is registered with the Securities and Exchange Board of India ('SEBI') under the SEBI (Mutual Funds) Regulations, 1996, as amended (the 'SEBI Regulations'). In terms of the Investment Management Agreement, UTI Trustee Company Private Limited (the 'Trustee') has appointed the Company to manage the Fund. The Company is also undertaking portfolio management services to clients under the SEBI (Portfolio Managers) Regulations, 1993, as amended, pursuant to a certificate granted by the SEBI.

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The Company's equity shares are listed on the National Stock Exchange of Limited and BSE Limited w.e.f. 31st October, 2020.

The Board of Directors has approved the standalone financial statements for the year ended 31st March, 2023 and authorised for issue on 26th April, 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The standalone financial statements (the 'financial statements') of the Company have been prepared on a going concern basis in accordance with the provision of the Companies Act, 2013 (the 'Act') and the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Act and other relevant provisions of the Act, as amended from time to time. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Basis of preparation

The Company maintains accounts on accrual basis following the historical cost convention, except for the following items:

- certain financial instruments – fair value;
- net defined benefit (assets) / liabilities - fair value of plan assets less present value of defined benefit obligations; and
- equity settled share-based payments - fair value of the options granted as on the grant date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act. The Company has elected to present cash flows from operating activities using the indirect method and items of income or expense associated with investing or financing cash flows are presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The disclosure requirements with respect to items in the Balance Sheet and the Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the standalone financial statements.

Indian Rupee (₹) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, management has determined that the standalone financial statement are presented in Indian Rupees (₹). All amounts have been rounded off to the nearest crore up to two decimal places unless otherwise indicated.

2.3. Use of estimates and judgments

The preparation of the standalone financial statements in conformity with the Ind AS requires management of the Company to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

recognised in the period in which the estimates are revised, and future periods are affected.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

(a) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March, 2024 included in the following notes:

(a) Useful lives of property, plant and equipment and intangibles

The Company reviews the useful life of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation / amortisation expense in future periods

(b) Impairment of investments in subsidiaries

The Company reviews the carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for in the Statement of Profit and Loss.

(c) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(e) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(f) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.4 Financial Instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivables without a significant financing component) or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Trade receivables that do not contain a significant financing component are measured at transaction price.

Classification and subsequent measurement

Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at FVTOCI. Fair value movements are recognised in the other comprehensive income (OCI). Dividend Income, Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are measured at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in the fair value of equity investments which are not held for trading in OCI. Debt instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVTOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortised cost or FVTOCI criteria may be designated at FVTPL upon

initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. Further, net gains or losses on financial assets at FVTPL include interest and dividend income. The net gain recognised in Statement of Profit and Loss is included in the 'Revenue from Operations' line item and in case of net loss recognised in Statement of Profit and Loss is included in the 'Expenses' line item. The transaction cost directly attributable to the acquisition of financial asset at FVTPL is immediately recognised to profit and loss.

Investment in subsidiaries

Investment in equity instruments issued by subsidiaries are measured at cost less impairment loss, if any.

Business Model Assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through profit and loss statement that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Impairment

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not classified as FVTPL or Equity investments at FVOCI. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company on full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 2 year or more past due.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On De-recognition, for financial assets measured at amortised cost, any gain or loss is recognised in the Statement of Profit and Loss.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Off-setting financial instruments

Financial assets and liabilities are offset, and the net amount is presented in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.5 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company recognises a right-of-use asset ('ROU') and a lease liability at the lease commencement date.

The ROU asset is initially measured at cost, which comprises the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received; plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of certain assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.6 Revenue recognition:

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115- Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount.

Revenue is measured based on the transaction price (net of variable consideration) specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue from contracts with customers is recognised when services are provided and it can be reliably measured and it is probable that future economic benefits will flow to the Company.

Nature of services:

| Services | Nature, timing of satisfaction of performance obligations and significant payment terms |
|--|---|
| Investment Management Fees | The Company receives investment management fees from the schemes of UTI Mutual Fund which is charged as a percent of the Asset Under Management (AUM) and recognised on accrual basis. The maximum amount of investment management fee that can be charged is as per the SEBI Regulations. |
| Portfolio Management fees and Advisory Services fees | The Company provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Company earns management fees and advisory services fees which is generally charged as a percent of the AUM or amount specified in the agreement and is recognised on accrual basis. |
| Service charges | The Company provides 'Point of Presence' service to NPS subscribers, for which the Company receives service charges which is generally a fixed amount per application or amount specified in the agreement and the fee is recognised on an accrual basis. |

Recognition of dividend income, interest income or expense, gains or losses from financial instruments

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Company's right to receive dividend is established, and it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Recognition of Income from Leases

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue from operations'.

2.7 (a) Property, plant and equipment

Property, plant and equipment ('PPE') are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs

of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of PPE is capitalised only if it is probable that the future economic benefits associated from the expenditure will flow to the Company and the cost of the item can be measured reliably.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work in progress or Capital advance'. Capital work in progress is stated at cost. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Depreciation on PPE is provided on straight-line basis as per the estimated useful life as under, except assets individually costing less than Rupees five thousand which are fully depreciated in the year of purchase / acquisition-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

| Description of Assets | Useful Lives in years | |
|-----------------------|-----------------------|------------------------------|
| | As per the Act | As per management's estimate |
| Building* | 60 | 60 |
| Server and Network | 6 | 6 |
| Computer and laptop | 3 | 3 |
| Office equipment | 5 | 5 |
| Furniture | 10 | 10 |
| Vehicle ** | 8 | 6 |

*In order to determine the useful life of building, the Company has considered the total useful life as prescribed in the Act and has also taken into consideration, the period of the underlying assets which has been used by the previous owner.

** The Company, based on technical assessment and with best management estimate, depreciates vehicle over estimated useful life which are different from the useful life prescribed in Schedule II to the Act. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if necessary.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Such intangible assets are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss. Software is amortised over a period of 3 years on straight line method (SLM) on pro-rata basis. Amortisation method, useful lives and residual values

are reviewed at the end of each financial year and adjusted, if required.

Intangible assets are derecognised on disposal or when no future economic benefits are expected to arise from its continuous use, and the resultant gains or losses are recognised in the Statement of Profit and Loss.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as 'intangible assets under development'.

(c) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Act or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The resultant gain / losses are recognised in the Statement of Profit and Loss in the period of de-recognition.

2.8 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of its value in use and its fair value less its cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to it. An impairment

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

2.9 Transactions in foreign currency

Transactions in foreign currencies are translated into the functional currencies of company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency denominated monetary assets and liabilities are retranslated into the functional currency at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

2.10 Employee benefits

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share-based payment transactions

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees and are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes.

The fair value at the grant date of the equity settled share based payment options granted to the employees is recognised as an employee benefit expenses with a corresponding increase in equity, over the period that the

employees unconditionally become entitled to the options.

At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Also, the employee stock option granted to the eligible employees of the subsidiary companies are accounted in accordance with the guidelines of Ind AS 102 – Share based payments.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions. In case of the Company, provident fund for eligible employees is managed by the Company through 'UTI AMC Employees Provident Fund' trust which is covered under 'The Provident Funds Act, 1925'. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense/ income on the net defined benefit liability/ asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/asset, taking into

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

account any changes in the net defined benefit liability/asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits

Other long term employee benefits include accumulated compensated absences that are entitled to be carried forward for future availment subject to the Company's policies. The Company's net obligation in respect of long-term employee benefits other than postemployment benefits, which do not fall due wholly within 12 months after the end of the period in which the employees render the related services, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised as profit or loss in the period in which they arise.

2.11 New Fund Offer ('NFO') expenses of mutual fund

NFO expenses on the launch of schemes are borne by the Company and recognised in the Statement of Profit and loss as and when incurred.

2.12 Income Tax

Income tax comprises of current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or in equity, in which case, the tax is also recognised in OCI or in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received, after considering the uncertainty if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set-off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

The deferred tax assets are recognised to the extent that it is probable that sufficient future taxable profits will be available against which they will be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

2.13 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/development of assets and amounts pertaining to Investments which have been committed but not called for.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each Balance Sheet date.

2.14 Earnings per share

a) Basic earnings per share

Basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

b) Diluted earnings per share

Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

2.15 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance.

2.16 Dividends on equity shares

The Company recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividend. A corresponding amount is recognised directly in equity.

2.17 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk

of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 and notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

3. CASH AND CASH EQUIVALENTS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------|---------------------------|---------------------------|
| Cash on hand | - | - |
| Balances with banks | 94.55 | 20.17 |
| | 94.55 | 20.17 |

4. BANK BALANCE OTHER THAN (A) ABOVE

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Other Bank Balances | | |
| -Fixed deposit with bank (security against bank guarantee/credit facility) | 102.01 | 97.16 |
| -Other term deposits | 20.62 | 20.67 |
| Earmarked balances with banks | | |
| -Unclaimed equity dividend | 0.25 | 0.18 |
| -Unspent CSR account | - | 1.37 |
| | 122.88 | 119.38 |

5. RECEIVABLES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------------------|---------------------------|---------------------------|
| (i) Trade receivables | | |
| Others | | |
| Unsecured, considered good | 52.88 | 39.08 |
| | 52.88 | 39.08 |
| | 52.88 | 39.08 |
| (ii) Other receivables | | |
| Unsecured, considered good | - | 0.14 |
| | - | 0.14 |

6. LOANS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| At amortised cost | | |
| Term loans (Unsecured) (A) - Gross | 11.46 | 16.60 |
| (Less): Impairment loss allowance | - | - |
| Term loans (Unsecured) (A) - Net | 11.46 | 16.60 |
| Loans in India | | |
| -Public sector | - | - |
| -Others | 11.46 | 16.60 |
| Term loans (Unsecured) (B) - Gross | 11.46 | 16.60 |
| (Less): Impairment loss allowance | - | - |
| Term loans (Unsecured)(B) - Net | 11.46 | 16.60 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
7. INVESTMENTS IN EQUITY SHARES OF SUBSIDIARIES

(₹ in crore)

| Details of Investments | As at 31st March, 2023 | | | | As at 31st March, 2022 | | | |
|---|------------------------|---------------|--------------------------------------|---------------|------------------------|---------------|--------------------------------------|---------------|
| | Amortised Cost | At Cost | At Fair Value through Profit or Loss | Total | Amortised Cost | At Cost | At Fair Value through Profit or Loss | Total |
| Investments In equity shares of subsidiaries | | | | | | | | |
| a. Investments in wholly owned subsidiaries (Unquoted) | - | 238.24 | - | 238.24 | - | 212.35 | - | 212.35 |
| b. Investments units of Venture Fund | - | - | - | - | - | - | 3.84 | 3.84 |
| Total gross Investments (A) | - | 238.24 | - | 238.24 | - | 212.35 | 3.84 | 216.19 |
| Investments In equity shares of wholly owned subsidiaries outside India | - | 167.37 | - | 167.37 | - | 166.58 | - | 166.58 |
| Investments In equity shares of wholly owned subsidiaries in India | - | 70.87 | - | 70.87 | - | 45.77 | - | 45.77 |
| Investment in the units of venture capital funds and alternative investment funds | - | - | - | - | - | - | 3.84 | 3.84 |
| Total (B) | - | 238.24 | - | 238.24 | - | 212.35 | 3.84 | 216.19 |
| Less: Allowance for Impairment (C) | - | - | - | - | - | - | - | - |
| Total net Investments (D=A-C) | - | 238.24 | - | 238.24 | - | 212.35 | 3.84 | 216.19 |

8. INVESTMENTS

(₹ in crore)

| Details of Investments | As at 31st March, 2023 | | | | As at 31st March, 2022 | | | |
|---|------------------------|----------|--------------------------------------|-----------------|------------------------|----------|--------------------------------------|-----------------|
| | Amortised Cost | At Cost | At Fair Value through Profit or Loss | Total | Amortised Cost | At Cost | At Fair Value through Profit or Loss | Total |
| Units of mutual fund schemes | - | - | 2,149.90 | 2,149.90 | - | - | 2,355.62 | 2,355.62 |
| Investments in government securities | 212.91 | - | - | 212.91 | - | - | - | - |
| Investments in bonds | 87.16 | - | - | 87.16 | - | - | - | - |
| Units of alternative investment funds | - | - | 181.53 | 181.53 | - | - | 188.51 | 188.51 |
| Investment in equity share of companies | - | - | 9.37 | 9.37 | - | - | 8.94 | 8.94 |
| Total gross Investments (A) | 300.07 | - | 2,340.80 | 2,640.87 | - | - | 2,553.07 | 2,553.07 |
| Investments outside India | - | - | - | - | - | - | - | - |
| Investments in India | 300.07 | - | 2,340.80 | 2,640.87 | - | - | 2,553.07 | 2,553.07 |
| Total (B) | 300.07 | - | 2,340.80 | 2,640.87 | - | - | 2,553.07 | 2,553.07 |
| Less: Allowance for impairment (C) | - | - | - | - | - | - | - | - |
| Total net Investments (D=A-C) | 300.07 | - | 2,340.80 | 2,640.87 | - | - | 2,553.07 | 2,553.07 |

9. OTHER FINANCIAL ASSETS

(₹ in crore)

| Particulars | As at | As at |
|--|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Rent and other security deposits | 4.21 | 4.00 |
| Advances recoverable in cash | 2.98 | 6.20 |
| Advance accrued benefits to employees | 2.81 | 1.36 |
| Receivable from redemption of mutual fund schemes and alternative investment funds | 0.84 | 15.00 |
| Others | - | 39.74 |
| Total | 10.84 | 66.30 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

10. CURRENT TAX ASSETS (NET)

(₹ in crore)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Advance income-tax (Net of provision ₹ 116 crore) (Previous year ₹ 129 crore) | 37.86 | 37.85 |
| | 37.86 | 37.85 |

11. INVESTMENT PROPERTY

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------|--|---------------------------|----------------------------|--|---|--------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) | Opening accumulated depreciation (As at 31st March, 2022) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Buildings | 12.29 | - | - | 12.29 | 2.60 | 0.52 | - | 3.12 | 9.17 | 9.69 |
| Total | 12.29 | - | - | 12.29 | 2.60 | 0.52 | - | 3.12 | 9.17 | 9.69 |

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------|--|---------------------------|----------------------------|--|---|--------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) | Opening accumulated depreciation (As at 31st March, 2021) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Buildings | 12.29 | - | - | 12.29 | 2.08 | 0.52 | - | 2.60 | 9.69 | 10.21 |
| Total | 12.29 | - | - | 12.29 | 2.08 | 0.52 | - | 2.60 | 9.69 | 10.21 |

i) Lease rent of ₹ 1.52 crore (Previous year : ₹ 1.52 crore) has been received from Investment property.

A. Reconciliation of carrying amount

(₹ in crore)

| | |
|--|--------------|
| Cost or Deemed cost (Gross carrying amount) | |
| Balance as at 31st March, 2022 | 12.29 |
| Balance as at 31st March, 2023 | 12.29 |
| Accumulated depreciation | |
| Balance as at 31st March, 2022 | 2.60 |
| Depreciation for the year ended 31st March, 2023 | 0.52 |
| Balance as at 31st March, 2023 | 3.12 |
| Carrying amounts | |
| Balance as at 31st March, 2022 | 9.69 |
| As at 31st March, 2023 | 9.17 |
| Fair value | |
| As at 31st March, 2022 | 46.50 |
| As at 31st March, 2023 | 47.50 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
B. Information regarding income and expenditure of investment property

(₹ in crore)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Rental Income derived from investment property | 1.52 | 1.52 |
| Direct operating expenses (including repair maintenance) that generate rental income | - | - |
| Direct operating expenses (including repair maintenance) that do not generate rental income | - | - |
| Profit arising from investment properties before depreciation and indirect expenses | - | - |
| Less: Depreciation | 0.52 | 0.52 |
| Profit arising from investment properties before indirect expenses | 1.00 | 1.00 |

C. Measurement of fair values
i. Fair value hierarchy

The fair value of investment property is based on the valuation done by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. This is considered as Level 3 valuation.

ii. Valuation techniques

- Considering the locality, age, mode of construction, the fair and reasonable market value arrived by the independent valuer vide valuation report as at 25th March, 2023 is ₹ 47.50 crore (31st March, 2022 ₹ 46.50 crore). The value derived by the valuer for the property is after considering the economic usefulness to the prospective purchaser, functional and economic obsolescence, technical potentiality, financial bankruptcy, management lapses, technical in competency in running the unit. The factors will enable valuer to arrive at very realistic and reasonable figures of reliability in the present market.
- The cost approach is a Real Property valuation method which considers the value of a property as the cost of the land plus the replacement cost of the building (Construction Cost) minus the physical and functional depreciation.

12. PROPERTY, PLANT AND EQUIPMENTS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------------------|--|---------------------------|----------------------------|--|---|--------------|---|---|----------------------|----------------------|
| | Gross carrying amount (As at March 31, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at March 31, 2023) | Opening accumulated depreciation (As at March 31, 2022) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at March 31, 2023) | As at March 31, 2023 | As at March 31, 2022 |
| Buildings | 260.01 | 8.47 | - | 268.48 | 33.59 | 7.10 | - | 40.69 | 227.79 | 226.42 |
| IT Equipment - Computers and Laptops | 6.11 | 3.84 | 1.72 | 8.23 | 4.02 | 1.50 | 1.70 | 3.82 | 4.41 | 2.09 |
| IT Equipment - Servers and Networks | 8.83 | 0.87 | 3.48 | 6.22 | 4.33 | 1.14 | 3.49 | 1.98 | 4.24 | 4.50 |
| Furniture and Fixtures | 5.91 | 2.22 | 0.50 | 7.63 | 1.65 | 0.84 | 0.43 | 2.06 | 5.57 | 4.26 |
| Vehicles | 4.52 | 2.47 | 0.42 | 6.57 | 2.15 | 1.03 | 0.32 | 2.86 | 3.71 | 2.37 |
| Office Equipment | 12.79 | 9.47 | 1.26 | 21.00 | 5.77 | 3.60 | 1.23 | 8.14 | 12.86 | 7.02 |
| Total | 298.17 | 27.34 | 7.38 | 318.13 | 51.51 | 15.21 | 7.17 | 59.55 | 258.58 | 246.66 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------------------|--|---------------------------|----------------------------|--|---|--------------|---|---|----------------------|----------------------|
| | Gross carrying amount (As at March 31, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at March 31, 2022) | Opening accumulated depreciation (As at March 31, 2021) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at March 31, 2022) | As at March 31, 2022 | As at March 31, 2021 |
| Buildings | 250.17 | 9.84 | - | 260.01 | 26.73 | 6.86 | - | 33.59 | 226.42 | 223.44 |
| IT Equipment - Computers and Laptops | 4.59 | 1.96 | 0.44 | 6.11 | 3.28 | 1.17 | 0.43 | 4.02 | 2.09 | 1.31 |
| IT Equipment - Servers and Networks | 8.55 | 0.28 | - | 8.83 | 3.19 | 1.14 | - | 4.33 | 4.50 | 5.36 |
| Furniture and Fixtures | 4.73 | 1.46 | 0.28 | 5.91 | 1.17 | 0.73 | 0.25 | 1.65 | 4.26 | 3.56 |
| Vehicles | 4.71 | 0.14 | 0.33 | 4.52 | 1.57 | 0.88 | 0.30 | 2.15 | 2.37 | 3.14 |
| Office Equipment | 7.77 | 5.59 | 0.57 | 12.79 | 4.06 | 2.22 | 0.51 | 5.77 | 7.02 | 3.71 |
| Total | 280.52 | 19.27 | 1.62 | 298.17 | 40.00 | 13.00 | 1.49 | 51.51 | 246.66 | 240.52 |

- i) Buildings include an area admeasuring 1,28,997.73 sq.feet and 36,096.90 sq.feet in UTI Towers, Bandra Kurla Complex, Mumbai, acquired from SUUTI and Bank of Baroda respectively on an outright basis in different year. The land on which the building is constructed belongs to MMRDA and the balance period of lease remaining is 50 years, as at March 31, 2023.
- ii) Buildings include 2 flats given on operating cancellable lease having acquisition value of ₹ 8.29 crore and Accumulated depreciation of ₹ 3.87 crore (Previous year: ₹ 3.53 crore), Lease rent of ₹ 0.47 crore (Previous year : ₹ 0.78 crore) has been received during the year March 31, 2023.

13. RIGHT OF USE ASSETS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | AMORTISATION | | | | NET BLOCK | |
|-----------------|--|---------------------------|----------------------------|--|---|--------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) | Opening Accumulated Amortisation (As at 31st March, 2022) | For the year | Deductions/ Adjustments during the year | Closing Accumulated Amortisation (As at 31st March, 2022) | As at 31st March, 2023 | As at 31st March, 2022 |
| Leased premises | 136.69 | 18.82 | - | 155.51 | 46.75 | 15.63 | - | 62.38 | 93.13 | 89.94 |
| Total | 136.69 | 18.82 | - | 155.51 | 46.75 | 15.63 | - | 62.38 | 93.13 | 89.94 |

| Category Name | GROSS BLOCK (AT COST) | | | | AMORTISATION | | | | NET BLOCK | |
|-----------------|--|---------------------------|----------------------------|--|---|--------------|---|---|-------------------|-------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) | Opening Accumulated Amortisation (As at 31st March, 2021) | For the year | Deductions/ Adjustments during the year | Closing Accumulated Amortisation (As at 31st March, 2022) | As at March, 2022 | As at March, 2021 |
| Leased premises | 127.57 | 11.34 | 2.22 | 136.69 | 31.44 | 15.66 | 0.35 | 46.75 | 89.94 | 96.13 |
| Total | 127.57 | 11.34 | 2.22 | 136.69 | 31.44 | 15.66 | 0.35 | 46.75 | 89.94 | 96.13 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
14. CAPITAL WORK-IN-PROGRESS

(₹ in crore)

| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) |
|--------------------------|---|------------------------------|-------------------------------|---|
| Capital work-in-progress | 6.55 | 25.85 | 25.92 | 6.48 |
| Total | 6.55 | 25.85 | 25.92 | 6.48 |

| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) |
|--------------------------|---|------------------------------|-------------------------------|---|
| Capital work-in-progress | 4.35 | 22.93 | 20.73 | 6.55 |
| Total | 4.35 | 22.93 | 20.73 | 6.55 |

15. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) |
|-------------------------------------|---|------------------------------|-------------------------------|---|
| Intangible assets under development | 1.78 | 3.51 | 2.71 | 2.58 |
| Total | 1.78 | 3.51 | 2.71 | 2.58 |

| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) |
|-------------------------------------|---|------------------------------|-------------------------------|---|
| Intangible assets under development | 0.78 | 1.00 | - | 1.78 |
| Total | 0.78 | 1.00 | - | 1.78 |

16. OTHER INTANGIBLE ASSETS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | AMORTISATION | | | | NET BLOCK | |
|-------------------|---|---------------------------|----------------------------|---|--|--------------|---|--|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) | Opening accumulated amortisation (As at 31st March, 2022) | For the year | Deductions/ Adjustments during the year | Closing accumulated Amortisation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Computer software | 23.69 | 3.48 | - | 27.17 | 17.12 | 6.41 | - | 23.53 | 3.64 | 6.57 |
| Total | 23.69 | 3.48 | - | 27.17 | 17.12 | 6.41 | - | 23.53 | 3.64 | 6.57 |

| Category Name | GROSS BLOCK (AT COST) | | | | AMORTISATION | | | | NET BLOCK | |
|-------------------|---|---------------------------|----------------------------|---|--|--------------|---|--|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) | Opening accumulated depreciation (As at 31st March, 2021) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Computer software | 22.03 | 1.66 | - | 23.69 | 11.54 | 5.58 | - | 17.12 | 6.57 | 10.49 |
| Total | 22.03 | 1.66 | - | 23.69 | 11.54 | 5.58 | - | 17.12 | 6.57 | 10.49 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

17. OTHER NON FINANCIAL ASSETS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------------------------|---------------------------|---------------------------|
| Capital advances | 2.34 | 1.45 |
| (a) | 2.34 | 1.45 |
| Deferred loans and deposits | | |
| Loans to employees | 2.14 | 2.81 |
| Rent deposits | 2.42 | 2.56 |
| (b) | 4.56 | 5.37 |
| Total I = (a) + (b) | 6.90 | 6.82 |
| Other assets | | |
| Prepaid expenses | 15.40 | 12.11 |
| Gratuity fund plan asset (net) | 3.34 | 0.72 |
| Pension fund plan asset (net) | 9.68 | - |
| Total II | 28.42 | 12.83 |
| Total I + II | 35.32 | 19.65 |

18. PAYABLES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| (I) Trade Payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 0.54 | 0.38 |
| | 0.54 | 0.38 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 53.34 | 33.47 |
| | 53.34 | 33.47 |
| (II) Other payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 46.08 | 52.04 |
| | 46.08 | 52.04 |

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Principal amount remaining unpaid to any supplier as at the year end | 0.54 | 0.38 |
| Interest due thereon | NIL | NIL |
| Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year | NIL | NIL |
| Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA | NIL | NIL |
| Amount of interest accrued and remaining unpaid at the end of the accounting year | NIL | NIL |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | NIL | NIL |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
19. OTHER FINANCIAL LIABILITIES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------|---------------------------|---------------------------|
| Unclaimed equity dividend | 0.25 | 0.18 |
| Lease liability * | 111.90 | 104.79 |
| Others | 12.75 | 51.69 |
| | 124.90 | 156.66 |

* Lease liability is created on account of implementation of IND AS 116 for leased premises

20. CURRENT TAX LIABILITIES (NET)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Provision for Income tax (Net of advance tax ₹ 116 crore) (Previous year ₹ 129 crore) | 9.48 | 6.73 |
| | 9.48 | 6.73 |

21. PROVISIONS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| Provision for leave encashment | 4.78 | 4.88 |
| Provision for pension | - | 13.03 |
| a | 4.78 | 17.91 |
| Other provisions | | |
| Provision for litigations* | 0.39 | 0.39 |
| b | 0.39 | 0.39 |
| Total a+b | 5.17 | 18.30 |

*The canteen services were discontinued from February 25, 2004 against which a case was filed by The Contract Labour Udyog Kamgar Union in the year 2005.

22. DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| i) Deferred tax liabilities: | | |
| a) Depreciation on property, plant and equipments and amortisation of intangible asset | 26.23 | 29.44 |
| b) Fair value of investments | 30.10 | 4.52 |
| c) Interest on government securities and bonds | 1.26 | - |
| d) Amortisation of right of use assets | 19.73 | 21.78 |
| Total 'a' | 77.32 | 55.74 |
| ii) Deferred tax assets: | | |
| a) Fair value of loans | 0.91 | 0.95 |
| b) Fair value of deposits | 0.15 | 0.15 |
| c) Provision for gratuity expenses | 0.69 | 1.50 |
| d) Provision for pension expenses | 21.55 | 23.26 |
| e) Lease liability | 23.70 | 25.37 |
| f) Unabsorbed long term capital loss | 12.30 | - |
| Total 'b' | 59.30 | 51.23 |
| Net Deferred tax (assets)/liabilities (a-b) | 18.02 | 4.51 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

23. OTHER NON FINANCIAL LIABILITIES

| Particulars | (₹ in crore) | |
|-----------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Statutory liabilities | 12.68 | 17.08 |
| | 12.68 | 17.08 |

24. EQUITY SHARE CAPITAL

| Particulars | (₹ in crore) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Authorised | | |
| 20,00,00,000 (31st March, 2022: 20,00,00,000) equity shares of ₹ 10/- each | 200.00 | 200.00 |
| Issued, subscribed and fully paid up | | |
| 12,69,83,695 (31st March, 2022: 12,69,49,041) equity shares of ₹ 10/- each | 126.98 | 126.95 |

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

| Particulars | (₹ in crore) | | | |
|--|--|---------------|--|---------------|
| | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | No. of Equity Shares (in crore) | ₹ in crore | No. of Equity Shares (in crore) | ₹ in crore |
| At the beginning of the year | 12.695 | 126.95 | 12.679 | 126.79 |
| Add: Shares issued on exercise of Employee Stock Options during the year | 0.003 | 0.03 | 0.016 | 0.16 |
| Add: Share issued during the year | - | - | - | - |
| At the close of the year | 12.698 | 126.98 | 12.695 | 126.95 |

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% shares in the Company:

| Particulars | (₹ in crore) | | | |
|--|-------------------------------------|--------------|-------------------------------------|--------------|
| | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | No. of Equity Shares crore | % Holding | No. of Equity Shares crore | % Holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| T. Rowe Price International Limited | 2.9161 | 22.96 | 2.9161 | 22.97 |
| Punjab National Bank | 1.9321 | 15.22 | 1.9321 | 15.22 |
| State Bank of India | 1.2665 | 9.97 | 1.2665 | 9.98 |
| Life Insurance Corporation of India | 1.2665 | 9.97 | 1.2665 | 9.98 |
| Bank of Baroda | 1.2665 | 9.97 | 1.2665 | 9.98 |
| | 8.6477 | 68.09 | 8.6477 | 68.13 |

d) The Company does not have a holding company.

e) Shares reserved for issue under options:

The Company has introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007". Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out separately. (Refer Note 37).

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
25. OTHER EQUITY

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| i) General reserve | | |
| Balance as per the last financial statements | 150.56 | 150.56 |
| Add: amount transferred from surplus balance in retained earnings | - | - |
| Closing Balance | 150.56 | 150.56 |
| ii) Securities premium account | | |
| Balance as per the last financial statements | 47.23 | 35.61 |
| Add: Securities premium received on account of ESOP | 2.49 | 11.62 |
| | 49.72 | 47.23 |
| iii) Share option outstanding account | | |
| Balance as per the last financial statements | 58.23 | 41.02 |
| Add: Additions during the year | 20.08 | 21.68 |
| Less: Transferred to retained earning | 0.44 | 4.47 |
| | 77.87 | 58.23 |
| iv) Share application money pending allotment | | |
| Balance as per the last financial statements | 0.03 | - |
| Add: Addition during the year | - | 0.03 |
| Less: Equity shares issued during the year | 0.03 | - |
| | - | 0.03 |
| v) Retained earnings | | |
| Balance as per the last financial statements (Refer note e) | 2,855.69 | 2,648.98 |
| Profit for the year | 424.43 | 417.78 |
| Add: Transferred from share option outstanding account | 0.44 | 4.47 |
| Less: Appropriations | | |
| Final equity dividend | 266.62 | 215.54 |
| | 3,013.94 | 2,855.69 |
| vi) Other comprehensive Income (OCI) | | |
| Balance as per the last financial statements | (78.24) | (82.02) |
| Add: Movement in OCI (Net) during the year | 7.44 | 3.78 |
| | (70.80) | (78.24) |
| Total Other Equity (i+ii+iii+iv+v+vi) | 3,221.29 | 3,033.50 |

Nature and Purpose of Reserve
a) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) Securities premium account

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) Share option outstanding account

The Share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

d) Share application money pending allotment

Until the shares are allotted, the amount received on account of options granted, vested and exercised by employees under share based payments arrangement over the vesting periods shown under the Share Application Money Pending Allotment.

e) Retained earnings

Retained earnings are the profits that the Company has earned to date, less any dividends or any other distribution paid to the shareholders, net of utilisation as permitted under applicable regulations. Adjusted for prior period income (net of tax) of ₹ 13.93 crore in the opening retained earnings as at 1st April, 2021.

f) Other comprehensive income

Other comprehensive income comprises of remeasurement of the net defined benefit obligation, which includes actuarial gains & losses, the return on plan assets. The income tax related to the same also recognised in other comprehensive income.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

26. REVENUE FROM OPERATIONS

| Particulars | (₹ in crore) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| i) Interest income | | |
| Interest on bonds and government securities* | 14.06 | - |
| Interest on loans to employees* | 0.74 | 0.87 |
| Interest on deposit with bank* | 6.15 | 6.22 |
| Interest on loans to UTI Capital Private Limited.* | 0.04 | 0.24 |
| Other interest Income | 1.00 | 1.11 |
| | 21.99 | 8.44 |
| * Financial assets measured at amortised cost. | | |
| ii) Lease income | 13.02 | 11.86 |
| | 13.02 | 11.86 |
| iii) Net gain on fair value changes | | |
| Net gain/loss on financial instruments at fair value through profit or loss | | |
| On trading portfolio investments: | | |
| Mutual funds | 119.64 | 109.61 |
| Alternative investment funds/venture capital funds | 27.52 | 19.89 |
| Equity share of companies | 0.44 | 0.33 |
| Net gain/(loss) on fair value changes | 147.60 | 129.83 |
| Fair value changes | | |
| Realised | 54.13 | 47.91 |
| Unrealised | 93.47 | 81.92 |
| | 147.60 | 129.83 |
| iv) Sale of services | | |
| Details of services rendered | | |
| Management fees | 907.56 | 908.25 |
| Advisory fees | - | 0.16 |
| Other operating revenues | | |
| Fees relating to point of presence under New Pension Scheme | 1.40 | 1.09 |
| | 908.96 | 909.50 |

27. OTHER INCOME

| Particulars | (₹ in crore) | |
|----------------------------|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Other non operating income | 9.39 | 0.64 |
| | 9.39 | 0.64 |

27.1 OTHER COMPREHENSIVE INCOME

| Particulars | (₹ in crore) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Re-measurement during the year in Defined Benefit Plan | 9.95 | 5.15 |
| | 9.95 | 5.15 |

28. EXPENSES

| Particulars | (₹ in crore) | |
|---|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| (i) Finance costs | | |
| Interest expense on lease liability (financial liability not measured at FVTPL) | 9.52 | 9.15 |
| | 9.52 | 9.15 |
| (ii) Fees and commission expense | | |
| Marketing fees and commission | 9.73 | 8.10 |
| | 9.73 | 8.10 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Particulars | (₹ in crore) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| (iii) Employee benefits expenses | | |
| Salaries and wages | 281.64 | 281.83 |
| Contribution to provident and other funds | 12.61 | 12.37 |
| Expenses on the employee stock option scheme | 18.20 | 19.86 |
| Expenses related to post-employment defined benefit plan: | | |
| Pension expense | 10.13 | 10.70 |
| Gratuity expense | 1.50 | 2.68 |
| Expenses related to compensation absences (Leave encashment) | 7.22 | 12.42 |
| Staff welfare expenses | 25.31 | 21.84 |
| Amortisation of employee loans | 0.67 | 0.77 |
| | 357.28 | 362.47 |
| (iv) Depreciation, amortisation and impairment | | |
| Depreciation of property, plant and equipments | 15.73 | 13.52 |
| Amortisation of intangible assets | 6.41 | 5.58 |
| Amortisation of right of use assets | 15.63 | 15.66 |
| | 37.77 | 34.76 |
| (v) Other expenses | | |
| Power and fuel | 4.62 | 4.10 |
| Rent for short-term leases and low value assets | 0.60 | 0.87 |
| Rates and taxes | 1.54 | 1.20 |
| Insurance | 0.24 | 0.21 |
| Repairs and maintenance | | |
| Computer and office equipment | 4.06 | 2.77 |
| Buildings/Office premises | 12.51 | 11.82 |
| Others | 0.04 | 0.03 |
| Advertising and business promotion | 20.01 | 18.29 |
| Travelling and conveyance | 11.41 | 5.80 |
| Communication costs | 4.11 | 3.49 |
| Printing and stationery | 1.36 | 1.09 |
| Legal and professional fees | 23.71 | 22.01 |
| Directors sitting fees | 1.97 | 1.71 |
| Payment to auditors (Refer (i) below) | 0.86 | 0.46 |
| Loss on sale of property, plant and equipments (net) | 0.16 | 0.09 |
| Membership fees and subscription | 28.77 | 23.53 |
| Computer consumables | 0.24 | 0.29 |
| Corporate social responsibility expenses | 9.08 | 8.84 |
| Brokerage and Security transaction tax | 1.63 | 7.87 |
| Other expenses | 5.91 | 5.06 |
| | 132.83 | 119.53 |
| (i) Payment to auditors | | |
| As auditors: | | |
| Audit fees | 0.25 | 0.23 |
| Tax audit fees | 0.04 | 0.04 |
| Limited review fees | 0.42 | 0.16 |
| In other capacity | | |
| Other services (certification fees) | 0.15 | 0.03 |
| (*all figures are including out of pocket expenses) | | |
| | 0.86 | 0.46 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

29. TAX EXPENSE

A Amount recognised in Statement of Profit and Loss :

| Particulars | (₹ in crore) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| I) Tax expenses recognised in the Statement of Profit and Loss | | |
| Current tax: | | |
| Current period | 118.40 | 129.00 |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | 11.00 | (20.52) |
| Tax Expense reported in the statement of Profit and Loss | 129.40 | 108.48 |
| II) Tax on other comprehensive income | | |
| The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows: | | |
| Deferred tax: | | |
| On items that will be reclassified to profit or loss | | |
| (Gain) / Loss on remeasurement of net defined benefit plans | (2.51) | (1.37) |
| Tax Expense reported in the statement of Profit and Loss | (2.51) | (1.37) |

B Reconciliation of Effective Tax Rate

| Particulars | Year Ended | |
|--|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Profit before tax as per books (A) | 553.83 | 526.26 |
| Domestic Tax Rate | 25.17% | 25.17% |
| Computed Tax Expenses (B) | 139.39 | 132.45 |
| Tax effect of the amount which are not taxable in calculating taxable income: | | |
| Profit & Loss on Investments (including MTM) | (28.33) | (7.82) |
| Depreciation | (0.28) | (0.82) |
| IND AS 116 - Lease Accounting | 1.48 | 1.32 |
| Income which are deferred as per Income Tax | 12.95 | (19.95) |
| Actuarial Valuation | 3.49 | 8.25 |
| Other disallowances | 0.70 | (4.95) |
| Total effect of tax adjustment (C) | 129.40 | 108.48 |
| Effective tax rate (in Percentage) (D= C/A) | 23.36 | 20.61 |

C) Significant components and movement in deferred tax assets and liabilities:

| Particulars | Year Ended | | Expense/(Income recognised) |
|--|------------------|------------------|-----------------------------|
| | 31st March, 2023 | 31st March, 2022 | |
| Deferred tax liability: | | | |
| Depreciation on Property, plant and equipments | 26.23 | 29.44 | (3.21) |
| Fair Value of Investments | 30.10 | 4.52 | 25.58 |
| Interest on government securities and bonds | 1.26 | - | 1.26 |
| Amortisation of right of use assets | 19.73 | 21.78 | (2.05) |
| Total deferred tax liability | 77.32 | 55.74 | 21.58 |
| Deferred tax asset: | | | |
| Fair value of Loans | 0.91 | 0.95 | (0.04) |
| Fair value of Deposits | 0.15 | 0.15 | 0.00 |
| Provision for gratuity expenses | 0.69 | 1.50 | (0.81) |
| Provision for pension expenses | 21.55 | 23.26 | (1.71) |
| Lease liability | 23.70 | 25.37 | (1.67) |
| Total deferred tax Asset | 47.00 | 51.23 | (4.23) |
| Net Deferred tax (assets) / liabilities | 30.32 | 4.51 | 25.81 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 | Expense/(Income) recognised |
|---|--------------------------------|--------------------------------|--------------------------------|
| Deferred tax liability: | | | |
| Depreciation on Property, plant and equipments Depreciation on Property, plant and equipments | 29.44 | 30.00 | (0.56) |
| Fair Value of Investments | 4.52 | 28.18 | (23.66) |
| Amortisation of right of use assets | 21.78 | 24.20 | (2.42) |
| Total deferred tax liability | 55.74 | 82.38 | (26.64) |
| Deferred tax asset: | | | |
| Fair value of Loans | 0.95 | 1.00 | (0.05) |
| Fair value of Deposits | 0.15 | 0.15 | 0.00 |
| Provision for gratuity expenses | 1.50 | 24.67 | (23.17) |
| Provision for pension expenses | 23.26 | 1.46 | 21.80 |
| Lease liability | 25.37 | 26.82 | (1.45) |
| Unabsorbed Losses | - | 4.62 | (4.62) |
| Total deferred tax Asset | 51.23 | 58.72 | (7.49) |
| Net Deferred tax (assets) / liabilities | 4.51 | 23.66 | (19.15) |

30. RELATED PARTY DISCLOSURES

In terms of Indian Accounting Standard 24 'Related Party Disclosures', the Company has entered into transactions with the following related parties in the ordinary courses of business.

(i) Names of related parties where control exists with whom transactions have occurred

| | |
|-----------------------|---|
| Subsidiaries | UTI Venture Funds Management Company Private Limited (100%) |
| | UTI International Limited, Guernsey. (100%) |
| | UTI Retirement Solutions Limited, India (100%) |
| | UTI Capital Private Limited, India (100%) |
| | India Infrastructure Development Fund # |
| Stepdown subsidiaries | UTI International (Singapore) Private Limited. (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Investment Management Company (Mauritius) Limited. (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Private Equity Limited (100% subsidiary of UTI Venture Funds Management Company (P) Limited) ## |
| | UTI International (France) SAS (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Investments America Limited. (100% subsidiary of UTI International Limited, Guernsey) ### |
| Key management person | Mr. Imtaiyazur Rahman (Managing Director & Chief Executive Officer)* |
| | Mr. Dinesh Kumar Mehrotra (Non-Executive Chairman and Independent Director) |
| | Mr. Deepak Kumar Chatterjee (Non-Executive Independent Director) |
| | Mr. Edward Cage Bernard (Non-Executive Nominee Director) |
| | Mr. Flemming Madsen (Non-Executive Nominee Director)** |
| | Mr. Narasimhan Seshadri (Non-Executive Independent Director) |
| | Ms. Dipali Hemant Sheth (Non-Executive Independent Director) |
| | Ms. Jayashree Vaidhyanathan (Non-Executive Independent Director) |
| | Mr. Rajeev Kakar (Non-Executive Independent Director) |
| | Mr. Sanjay Varshneya (Non-Executive Nominee Director)*** |
| | Mr. Kiran Kumar Taranika (Non-Executive Nominee Director)**** |
| Shareholder | T Rowe Price International Limited (22.97%) |
| | Punjab National Bank (15.22%) |
| Employee Trusts | UTI AMC Limited Employees Provident Fund |
| | UTI AMC Limited Pension Fund |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

#Consolidated as per the requirement of IND AS 110. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The fund has been closed on 8th September, 2022.

Wounded up on 18th March, 2022.

Incorporated on 7th November, 2022 as a Wholly Owned Subsidiary ('WOS') of UTI International Limited.

*Mr. Imtaiyazur Rahman (DIN: 01818725) was appointed as Managing Director of the Company with effect from 26th July, 2022 to 12th June, 2024, not liable to retire by rotation. Accordingly, Mr. Imtaiyazur Rahman was re-designated as the Managing Director & Chief Executive Officer of the Company.

**Mr. Flemming Madsen (DIN: 02904543) retired by rotation at the 19th Annual General Meeting (AGM) of the Company and the shareholders had re-appointed him as a Nominee Director (Non-Executive Category) of the Company with effect from 26th July, 2022, liable to retire by rotation.

***Mr. Sanjay Varshneya (DIN: 08161701) resigned as Nominee Director of the Company w.e.f. 26th July, 2022.

****Mr. Kiran Kumar Tarania was appointed as an Additional Director (Nominee Non-Executive Category) by the Board of Directors w.e.f. 26th July, 2022 and his appointment was regularised by shareholders through postal ballot passed on 12th October, 2022.

(ii) Related parties transactions

(₹ in crore)

| Sr. No. | Name of Related Party | Nature of Transactions | Year ended | | Year ended | |
|---------|---|--|---------------------------|-----------------------------|---------------------------|-----------------------------|
| | | | 31st March, 2023 | | 31st March, 2022 | |
| | | | Transactions for the year | Outstanding at the year end | Transactions for the year | Outstanding at the year end |
| 1 | UTI International Limited | Consultancy fees | - | - | 0.34 | 0.34 |
| | | Set up cost | 3.27 | 4.27 | 0.66 | 0.66 |
| 2 | UTI International (Singapore) Private Limited | Business Support Service Fees (Expenses) | 9.74 | 2.44 | 7.91 | 2.21 |
| | | PMS Fees (Income) | 11.11 | 2.35 | 11.43 | 3.08 |
| 3 | UTI Investment Management Company (Mauritius) Limited | PMS Fees (Income) | 2.75 | 0.24 | 2.61 | 0.23 |
| 4 | UTI Retirement Solutions Limited | Rent Income | - | - | 0.42 | - |
| | | Reimbursement received towards employee benefit expenses & administrative Expenses | 2.77 | 0.00 | 3.67 | - |
| 5 | UTI Capital Private Limited | Investment as share capital | 24.00 | 24.00 | - | - |
| | | Interest Income | 0.04 | - | 0.24 | - |
| | | Reimbursement towards administrative expenses | - | - | 0.05 | - |
| | | Loan paid | 3.00 | - | - | 3.00 |
| 6 | UTI Venture Funds Management Company Private Limited | Reimbursement of expenses | 0.02 | - | - | - |
| 7 | India Infrastructure Development Fund (IIDF) | Final Distribution | 4.64 | - | - | - |
| 8 | T Rowe Price International Limited | Dividend Paid | 61.24 | - | 44.62 | - |
| 9 | Punjab National Bank | Dividend Paid | 40.57 | - | 32.85 | - |
| 10 | UTI AMC Limited Employees Provident Fund | Contribution to the fund | 23.45 | - | 23.16 | - |
| 11 | UTI AMC Limited Pension Fund | Contribution to the fund | 4.36 | - | 4.31 | - |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
iii) Details of remuneration & Dividend paid to Company's KMPs

(₹ in crore)

| Sr. No. | Nature of Transactions | Year ended | Year ended |
|---------|------------------------------|-----------------------------|-----------------------------|
| | | 31st March, 2023 | 31st March, 2022 |
| | | Transactions for the period | Transactions for the period |
| 1 | Short term employee benefits | 8.84 | 8.00 |
| 2 | Post employee benefits | 0.14 | 0.12 |
| 3 | Share Based Payments | 5.15 | 1.13 |
| 4 | Director Sitting Fees | 1.97 | 1.71 |
| 5 | Dividend on Equity Shares* | - | 0.00 |

*(for previous year 0.00 indicates amount less than ₹ 0.005 crore)

Note: All transactions with related parties are on arms length basis. None of the balances are secured.

31. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit after tax for the year attributable to equity shareholders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Calculations of basic earnings per share

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Profit after tax (In crore) | 424.43 | 417.78 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares used as denominator for calculating Basic EPS (₹ In crore) | 12.69 | 12.68 |
| Basic earnings per share (₹) | 33.43 | 32.94 |

Following is the reconciliation between basic and diluted earnings per equity share:

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Basic earnings per share (₹) | 33.43 | 32.94 |
| Effect of potential equity shares for stock options (per share) | -0.01 | -0.13 |
| Diluted earnings per share (₹) | 33.42 | 32.81 |

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Weighted average number of equity shares used in computing basic earnings per equity share | 12.69 | 12.68 |
| Effect of potential equity shares for stock options outstanding | 0.01 | 0.05 |
| Weighted average number of equity shares used in computing diluted earnings per equity share | 12.70 | 12.73 |

32. CONTINGENT LIABILITIES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| A. To the extent not provided for | | |
| Claims against the company not acknowledged as debts in respect of: | | |
| a. Disputed consumer cases | 1.25 | 1.85 |
| b. Disputed Income Tax demand | - | - |
| c. Other Matters | 1.82 | 1.82 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Contingent liabilities:

A. To the extent not provided for

- (i) Estimated liability for the Consumer Disputes Redressal Forum cases pending in courts for the dispute pertaining to the schemes of UTI Mutual Fund is ₹ 1.25 crore.

Ex-Registrars & Transfer Agents filed a recovery suit of ₹ 3.19 crore against the Company, Administrators of SUUTI and UTI Trustee Company Private Limited in the year 2003 regarding termination of their agreement as registrars. The Company also filed a cross suit against them in the Hon'ble Bombay High Court for ₹ 1.37 crore for lack of service. Honourable court directed both the parties to frame the issue for arguments. The company is hopeful of a positive outcome in its favour and there-fore no provision is made. Net liability is ₹ 1.82 crore.

B. Other Contingent liabilities where financial impact is not ascertainable, comprises:

- (i) A case was filed by AIUTEA against the company in respect of leftover Class III and Class IV staff on date demanding pension option. The honorable presiding officer, CGIT, Mumbai pronounced the verdict dated 28th February 2007 for pension option. The matter was taken with the Government of India, which advised the company to seek legal option. The company filed an appeal in the High Court, Bombay challenging the order of CGIT. The Hon'ble High Court vide its order dated 5th May, 2017 allowed the appeal of AMC by quashing and setting aside the order of CGIT. AIUTEA has filed a Review Petition to review the order dated 5th May, 2017 of Hon'ble Justice K K Tated in WP no. 1792 of 2007 filed by UTI AMC Limited Hon'ble Court vide its order dated 31st August, 2017, rejected the review petition of the petitioner stating that "the only endeavor is to re-argue the entire matter, which is not permitted". AIUTEA has filed a Special Leave petition before Hon'ble Supreme Court of India challenging the order of the Bombay High Court. The matter will come up for hearing in due course. Therefore, financial liability at this juncture cannot be crystallised.
- (ii) In connection to UTI India Fund Unit Scheme 1986 managed by UTI Mutual Fund, as assessment order has been passed by the Income Tax Department, disallowing the exemption under section 10(23D) of Income Tax Act, for an aggregate amount of ₹ 48.30 crore, as well as penalty notice. Our Company has deposited an amount of ₹ 1.83 crore with Income Tax Department in this regards. CIT (A) has granted our appeal for deduction under section 10(23D) vide order dated 28th March, 2023 for all the assessment years. Refund of ₹ 1.83 crore deposited with income tax department is awaited.
- (iii) The orders cum demand notices for ₹ 0.01 crore (Previous Year Rs 0.01 crore) is pending with Income Tax Office – TDS on various grounds. The Company has filed appeals to the appellate authority on the said orders mentioning that all the payments have been duly complied. The grounds of appeal are well supported in law. As a result, the Company does not expect the demand to crystallise into a liability.
- (iv) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Hon'ble Bombay High Court for giving a fresh opportunity for pension option after pay revision 2001 and arrears of pension with 12% interest on the same. The case is pending for further proceedings.
- (v) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Bombay High Court for payment of dearness allowance with pension or periodic review of the pension. At present the case is pending for further proceedings and the Company is disputing the case of the petitioners.
- (vi) There are 10 cases against UTI Mutual Fund or key personnel, relating to normal operation of UTI MF, pending for final outcome.
- (vii) In connection with India Debt Opportunities Fund Limited Mauritius and the India Debt Opportunities Scheme (Domestic Scheme), SEBI has issued a Show Cause Notice (SCN) to The Company and UTI Mutual Fund in January 2020 alleging violation of SEBI FPI Regulations and SEBI MF Regulations. The SCN has been issued to the Company and UTI MF to show cause as to why inquiry should not be held under the Adjudication Rules for imposing penalty under section 15 HB of the SEBI Act 1992 which shall not be less than rupees one lac but which may extend to rupees one crore. The Company and UTI MF have filed their detailed replies to SEBI in March 2020 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and there-fore financial liability at this juncture cannot be crystallised.
- (viii) The Income Tax re-assessment order for the Assessment Year 2009-10 has been passed raising a demand of ₹ 5.26 crore. An Appeal have been filed against the order before ITAT.
- (ix) The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of ₹ 2.28 crore. An Appeal have been filed against such order before CIT (A).

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
33. CAPITAL AND OTHER COMMITMENTS

- (a) Estimated amount of contracts remaining to be executed on capital accounts ₹ 3.58 crore.
- (b) As on 31st March, 2023, the Company has commitments of ₹ 147.02 crore towards Structured Debt Opportunity Fund II, ₹ 16.31 crore to LIC Housing Finance Limited - Housing & Infrastructure Fund, ₹ 137.50 crore to Structured Debt Opportunity Fund III, ₹ 40 crore to UTI Capital Private Limited.

34. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

(₹ in crore)

| Particulars | Note No. | As at 31st March, 2023 | | | As at 31st March, 2022 | | |
|---|----------|------------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
| | | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| I. ASSETS | | | | | | | |
| (1) Financial assets | | | | | | | |
| (a) Cash and cash equivalents | 3 | 94.55 | - | 94.55 | 20.17 | - | 20.17 |
| (b) Bank balance other than (a) above | 4 | - | 122.88 | 122.88 | - | 119.38 | 119.38 |
| (c) Receivable | 5 | | | | | | |
| (i) Trade receivables | | 46.20 | 6.68 | 52.88 | 32.31 | 6.77 | 39.08 |
| (ii) Other receivables | | - | - | - | 0.14 | - | 0.14 |
| (d) Loans | 6 | 2.95 | 8.51 | 11.46 | 6.26 | 10.34 | 16.60 |
| (e) Investments in subsidiaries | 7 | - | 238.24 | 238.24 | - | 216.19 | 216.19 |
| (f) Investments | 8 | 1,784.86 | 856.01 | 2,640.87 | 1,695.95 | 857.12 | 2,553.07 |
| (g) Other financial assets | 9 | 6.63 | 4.21 | 10.84 | 66.30 | - | 66.30 |
| Total Financial Assets | | 1,935.19 | 1,236.53 | 3,171.72 | 1,821.13 | 1,209.80 | 3,030.93 |
| (2) Non - financial assets | | | | | | | |
| (a) Current tax assets (Net) | 10 | 37.86 | - | 37.86 | 37.85 | - | 37.85 |
| (b) Investment property | 11 | - | 9.17 | 9.17 | - | 9.69 | 9.69 |
| (c) Property, plant and equipments | 12 | - | 258.58 | 258.58 | - | 246.66 | 246.66 |
| (d) Right of use assets | 13 | - | 93.13 | 93.13 | - | 89.94 | 89.94 |
| (e) Capital work-in-progress | 14 | 6.48 | - | 6.48 | 6.55 | - | 6.55 |
| (f) Intangible assets under development | 15 | 2.58 | - | 2.58 | 1.78 | - | 1.78 |
| (g) Other intangible assets | 16 | - | 3.64 | 3.64 | - | 6.57 | 6.57 |
| (h) Other non financial assets | 17 | 30.76 | 4.56 | 35.32 | 14.28 | 5.37 | 19.65 |
| Total Non Financial Assets | | 77.68 | 369.08 | 446.76 | 60.46 | 358.23 | 418.69 |
| TOTAL ASSETS | | 2,012.87 | 1,605.61 | 3,618.48 | 1,881.59 | 1,568.03 | 3,449.62 |
| II. LIABILITIES AND EQUITY | | | | | | | |
| LIABILITIES | | | | | | | |
| (1) Financial liabilities | | | | | | | |
| (a) Payable | | | | | | | |
| (I) Trade payable | 18 | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 0.54 | - | 0.54 | 0.38 | - | 0.38 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 48.85 | 4.49 | 53.34 | 30.75 | 2.72 | 33.47 |
| (II) Other payable | | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | | | | | | |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 46.08 | - | 46.08 | 52.04 | - | 52.04 |
| (b) Other financial liabilities | 19 | 11.71 | 113.19 | 124.90 | 50.06 | 106.60 | 156.66 |
| Total Financial Liabilities | | 107.18 | 117.68 | 224.86 | 133.23 | 109.32 | 242.55 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| Particulars | Note No. | As at 31st March, 2023 | | | As at 31st March, 2022 | | |
|--|----------|------------------------|-----------------|---------------|------------------------|-----------------|---------------|
| | | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| (2) Non- financial liabilities | | | | | | | |
| (a) Current tax liabilities (Net) | 20 | 9.48 | - | 9.48 | 6.73 | - | 6.73 |
| (b) Provisions | 21 | 4.78 | 0.39 | 5.17 | 17.91 | 0.39 | 18.30 |
| (c) Deferred tax liabilities (Net) | 22 | - | 18.02 | 18.02 | - | 4.51 | 4.51 |
| (d) Other non financial liabilities | 23 | 12.68 | - | 12.68 | 17.08 | - | 17.08 |
| Total non financial liabilities | | 26.94 | 18.41 | 45.35 | 41.72 | 4.90 | 46.62 |
| TOTAL LIABILITIES | | 134.12 | 136.09 | 270.21 | 174.95 | 114.22 | 289.17 |

35. EMPLOYEE BENEFITS

(a) Defined Contribution Plan

The Company manages provident fund plan through a provident fund trust for its eligible employees, which is permitted under The Provident Funds Act, 1925. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The Company has recognised the following amounts in the Statement of Profit and Loss, which are included under contributions to Provident Fund

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Employer's contribution to Provident Fund | 9.55 | 9.43 |

(b) Defined Benefit Plans

Characteristics of defined benefits plans ('DBO'):

1. Gratuity Plan:

The Company operates gratuity plan through a life insurance company ('LIC') wherein every employee is entitled to the benefit based on the respective employee's last drawn salary and years of employment with the Company. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the plan. The plan is funded with LIC in the form of a qualifying insurance policy.

2. Pension Plan:

The Company commenced operations from 1st February, 2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company makes 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme. Some portion of the pension fund is managed by the Company. The actuarial valuation considers the asset managed by the trustee of the pension fund as well as the fund maintained by LIC. The defined benefit plan for pension of the Company is administered by separate pension fund that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan.

Risk associated with defined benefits plans:

These defined benefit plans expose the Company to actuarial risks, such as Salary risk, investment risk, asset liability matching risk, interest rate risk, concentration risk, and mortality risk.

(c) The following tables summaries the components of net employee benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in the Balance Sheet.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
(i) Changes in the Present Value of the Defined Benefit obligations

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|---|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Obligation at the beginning of the year | 125.82 | 127.74 | 286.80 | 277.86 |
| Current Service cost | 1.68 | 2.01 | 9.93 | 9.96 |
| Past Service cost | - | - | - | - |
| Interest cost | 7.69 | 7.63 | 18.98 | 17.58 |
| Remeasurement due to: | | | | |
| - Actuarial loss/ (gain) arising from change in financial assumptions | (2.61) | (1.68) | (11.57) | (6.58) |
| - Actuarial loss/ (gain) arising from change in demographic assumptions | - | - | - | - |
| - Actuarial loss/ (gain) arising on account of experience changes | (1.83) | 0.23 | 5.39 | 5.84 |
| Benefits paid | (14.24) | (10.11) | (20.81) | (17.86) |
| Obligation at the end of the year | 116.51 | 125.82 | 288.72 | 286.80 |

(ii) Movement in the Fair value of Plan Assets

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Opening fair value of plan assets | 126.53 | 115.18 | 273.77 | 256.39 |
| Employer contributions | 0.39 | 12.96 | 26.41 | 16.81 |
| Interest on plan assets | 8.10 | 7.14 | 18.78 | 16.83 |
| Administration expenses | - | - | - | - |
| Remeasurement due to: | | | | |
| - Return on plan assets less interest on plan assets | 0.79 | 1.36 | 0.25 | 1.60 |
| Benefits paid | (14.24) | (10.11) | (20.81) | (17.86) |
| Closing fair value of plan assets | 121.57 | 126.53 | 298.40 | 273.77 |

(iii) Amount recognised in the Balance Sheet

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|---|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Present value of funded / unfunded obligation | 116.51 | 125.82 | 288.72 | 286.80 |
| Fair value of plan assets | 121.57 | 126.53 | 298.40 | 273.77 |
| Net unfunded obligation | (3.34) | (0.71) | (9.68) | 13.03 |
| Net defined benefit liability / (asset) recognised in balance sheet | (3.34) | (0.71) | (9.68) | 13.03 |
| Non-financial liabilities | (3.34) | (0.71) | (9.68) | 13.03 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(iv) Amount Recorded in Other Comprehensive Income

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Opening amount recognised in OCI outside statement of profit and loss | 20.07 | 22.87 | 110.65 | 112.99 |
| Re-measurement during the period due to | | | | |
| - Changes in financial assumptions | (2.62) | (1.68) | (11.57) | (6.58) |
| - Changes in demographic assumptions | - | - | - | - |
| - Experience adjustments | (1.84) | 0.24 | 5.39 | 5.84 |
| - Actual return on plan assets less interest on plan assets | (0.79) | (1.36) | (0.25) | (1.60) |
| - Adjustment to recognise the effect of asset ceiling | 1.72 | - | - | - |
| Closing amount recognised in OCI outside statement of profit and loss | 16.54 | 20.07 | 104.22 | 110.65 |

(v) Amount recorded as an expense in Statement of Profit and Loss

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Current service cost | 1.68 | 2.01 | 9.93 | 9.96 |
| Past service cost | - | - | - | - |
| Administration expenses | - | - | - | - |
| Interest on net defined benefit liability / (assets) | (0.39) | 0.49 | 0.20 | 0.74 |
| (Gains) / losses on settlement | - | - | - | - |
| Total expenses recognised in the statement of profit and loss | 1.29 | 2.50 | 10.13 | 10.70 |

(vi) Funding

The funding requirements are based on the gratuity and pension plan actuarial measurement framework set out in the funding policies of the plan. The Company generally makes annual contributions to the plan based on the actuarial valuation of 'amount recognised in the Balance Sheet as Liability at the year end.

(vii) Reconciliation of Net Liability/ Asset:

a) Employee's Gratuity Plan:

(₹ in crore)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening net defined benefit liability/ (asset) | (0.71) | 12.56 |
| Expenses recognised in statement of profit and loss | 1.29 | 2.50 |
| Expenses / (income) recognised outside statement of profit and loss | (3.53) | (2.81) |
| Employer contributions | (0.39) | (12.96) |
| Impact of liability assumed or (settled)* | - | - |
| Closing net defined benefit liability / (asset) | (3.34) | (0.71) |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
b) Employee's Pension Plan

(₹ in crore)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening net defined benefit liability/ (asset) | 13.03 | 21.47 |
| Expenses recognised in statement of profit and loss | 10.13 | 10.71 |
| Expenses / (income) recognized outside statement of profit and loss | (6.43) | (2.35) |
| Employer contributions | (26.41) | (16.80) |
| Impact of liability assumed or (settled)* | - | - |
| Closing net defined benefit liability / (asset) | (9.68) | 13.03 |

*Employee benefit of Key managerial personnel are not determined for the above fund and hence, we have not separately disclosed the same.

(viii) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

(₹ in crore)

| Maturity Profile | Employee's Gratuity Plan | |
|---|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Expected benefits for year 1 | 22.72 | 23.38 |
| Expected benefits for year 2 | 19.22 | 16.27 |
| Expected benefits for year 3 | 22.61 | 19.18 |
| Expected benefits for year 4 | 22.15 | 22.23 |
| Expected benefits for year 5 | 21.25 | 21.42 |
| Expected benefits for year 6 | 15.49 | 20.46 |
| Expected benefits for year 7 | 9.36 | 15.18 |
| Expected benefits for year 8 | 4.88 | 9.11 |
| Expected benefits for year 9 | 3.98 | 4.69 |
| Expected benefits for year 10 and above | 22.60 | 25.56 |

The weighted average duration to the payment of these cash flows is 3.99 years for the year ended March 2023 and 4.40 years for the year ended March 2022.

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to the valuation date).

(₹ in crore)

| Maturity Profile | Employee's Pension Plan | |
|-------------------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Expected benefits for year 1 | 12.03 | 11.17 |
| Expected benefits for year 2 | 23.57 | 18.06 |
| Expected benefits for year 3 | 22.72 | 23.16 |
| Expected benefits for year 4 | 30.14 | 31.87 |
| Expected benefits for year 5 | 38.52 | 29.97 |
| Expected benefits for year 6 | 40.13 | 35.81 |
| Expected benefits for year 7 | 44.33 | 37.90 |
| Expected benefits for year 8 | 41.50 | 41.12 |
| Expected benefits for year 9 | 33.64 | 38.37 |
| Expected benefits for year 10 | 29.68 | 31.75 |

The weighted average duration to the payment of these cash flows is 6.16 years for the year ended March 2023 and 7.49 years for the year ended March 2022.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(ix) Actuarial assumptions

(₹ in crore)

| Particulars | Employee's Leave Encashment Scheme | | Employee's Gratuity Plan | | Employee's Group Pension Plan | |
|--|------------------------------------|------------------|--------------------------|------------------|-------------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Pension increase rate (per annum) | - | - | - | - | 3.00% | 3.00% |
| Discount rate (per annum) | 7.30% | 6.75% | 7.30% | 6.75% | 7.30% | 6.75% |
| Salary escalation rate (per annum)* | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% |
| Withdrawal rate / Leaving service rate | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

*Take into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

(x) Demographic Assumption:

Mortality in Service: Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

Mortality in Retirement: Current LIC Buy-Out Annuity Rates prevailing as on the valuation date.

(xi) Sensitivity Analysis:

The benefit obligation results of gratuity fund are particularly sensitive to discount rate and future salary escalation rate. The benefit obligation results of pension scheme are particularly sensitive to discount rate, longevity risk, salary escalation rate and pension increases, if the plan provision do provide for such increases on commencement of pension.

The following table summarizes the change in DBO and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting year arising on account of an increase or decrease in the reported assumption by changes in the below mentioned three parameters.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous year in the methods and assumption used in preparing the sensitivity analysis.

a) Employee's Pension Plan

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------------------|---------------------------|---------------------------|
| Discount rate | | |
| Impact of increase in 50 bps on DBO | (3.41%) | 3.63% |
| Impact of decrease in 50 bps on DBO | 3.63% | 3.87% |
| Pension increase rate | | |
| Impact of increase in 100 bps on DBO | 9.42% | 8.96% |
| Impact of decrease in 100 bps on DBO | (9.42%) | (8.96%) |
| Life expectancy | | |
| Impact of increase in 1 year on DBO | 2.17% | 2.21% |
| Impact of decrease in 1 year on DBO | (2.17%) | (2.21%) |

b) Employee's Gratuity Fund

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------------------------|---------------------------|---------------------------|
| Discount Rate | | |
| Impact of increase in 50 bps on DBO | (1.96%) | (2.15%) |
| Impact of decrease in 50 bps on DBO | 2.03% | 2.24% |
| Salary Escalation Rate | | |
| Impact of increase in 50 bps on DBO | 0.45% | 0.52% |
| Impact of decrease in 50 bps on DBO | (0.45%) | (0.53%) |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
36. EMPLOYEE SHARE BASED PAYMENTS
Employee stock option scheme (Equity settled)

The Company has formed an Employee Stock Option Scheme i.e. "UTI AMC Employee Stock Option Scheme 2007 ("ESOS 2007")", which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till three years as per plan. Each option entitles the holder thereof to apply for and be allotted / transferred one equity share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS 2007

| Particulars | ESOS 2007 – December 2019 | ESOS 2007 – July 2021 | ESOS 2007 – January 2022 | ESOS 2007 – September 2022 |
|--|------------------------------|--------------------------|-----------------------------|-------------------------------|
| Date of Grant | 16th December, 2019 | 28th July, 2021 | 17th January, 2022 | 13th September, 2022 |
| Price of Underlying Stock (In ₹) | 728.00 | 923.20 | 1,079.45 | 816.05 |
| Exercise / Strike Price (In ₹) | 728.00* | 923.20 | 1,079.45 | 816.05 |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | | | | |
| Risk Free Interest Rate | 6.33% | 5.51% | 5.85% | 6.91% |
| Expected Dividend | ₹ 5 per share | ₹ 17 per share | ₹ 17 per share | ₹ 21 per share |
| Expected Life (years) | 4 years | 4.17 years | 4.50 years | 4.14 years |
| Expected Volatility | 39.78% | 30.44% | 30.08% | 35.66% |
| Weighted Average Fair Value (In ₹) | 276.00 | 260.07 | 327.65 | 256.55 |

*as determined by the external independent valuer as at 16th December, 2019 which was approved by the Nomination and Remuneration Committee of the Board of Directors of the Company.

The information of Employee Stock Option Scheme ESOS 2007 covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

| Particulars | No. of stock options as at 31st March, 2023 | No. of stock options as at 31st March, 2022 |
|---|---|---|
| Outstanding at the beginning of the year * | 2,784,089 | 2,116,961 |
| Granted during the year * | 1,017,243 | 876,641 |
| Forfeited during the year * | - | - |
| Exercised during the year * | 34,183 | 162,258# |
| Lapsed/expired during the year * | 121,006 | 47,255 |
| Outstanding at the end of the year * | 3,646,143 | 2,784,089 |
| Vested and exercisable at the end of the period * | 2,158,925 | 1,290,347 |

471 Options are exercised but pending allotment

*Since all the options were granted at the same exercise price per options under the respective grants, weighted average exercise price per option for all these group under the respective grants is the same.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price | Outstanding as at 31st March, 2023 | Outstanding as at 31st March, 2022 |
|----------------------|----------------------|----------------|---------------------------------------|---------------------------------------|
| 16th December, 2019 | 16th December, 2025 | 728.00 | 1,775,971 | 2,116,961 |
| 28th July, 2021 | 28th July, 2029 | 923.20 | 839,958 | 861,350 |
| 17th January, 2022 | 17th January, 2030 | 1,079.45 | 15,291 | 15,291 |
| 13th September, 2022 | 13th September, 2030 | 816.05 | 1,014,923 | - |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

As on the date of grant, in case of schemes ESOS 2007 – issued on 16th December, 2019, the Company being an unlisted Company, the expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

As on the date of grant in case of ESOS 2007 – issued on 28th July, 2021, 17th January, 2022 and 13th September, 2022, the Company being listed, trading history of the Company and its comparable companies listed on the stock exchange was considered. The volatility derived from this stock had been annualised for the purpose of this valuation.

Expense arising from share-based payment transactions.

| Assumptions | (₹ in crore) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
| Employee stock option scheme (equity settled) | 18.19 | 19.86 |

37. FINANCIAL RISK MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk Management Framework:

The Company's management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

A. Credit Risk:

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from its investment transactions. The Company is exposed to credit risk from its operating activities (mostly trade receivables) and from its investing activities, which includes deposits with banks and financial institutions, and other financial assets measured at amortised cost. The carrying amount of the financial assets represents the maximum credit risk exposure.

Exposure to credit risk

The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, trade and other receivables and financial assets measured at amortised cost.

Following is the exposure of the Company towards credit risk.

| Particulars | (₹ in crore) | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Maximum exposure to credit risk | 292.61 | 261.67 |

Expected Credit Loss (ECL) on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired.

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The Company has three types of financial assets that are subject to the expected credit loss:

- Trade and other receivables
- Cash and cash equivalent
- Investment in debt securities measured at amortised cost

The amount of trade receivable for which the Company has assessed credit risk is on an individual basis.

Trade and other receivables:

Major portion of trade receivables include the AMC fees receivable from the schemes of UTI Mutual Fund, SUTTI, CMPFO, ESIC, EPFO and amount receivable from PLI and RPLI. Based on the past experience, management expects to receive these amounts in full.

(₹ in crore)

| Trade Receivables (Undisputed - considered good) outstanding from the date of transactions | As at 31st March, 2023 | As at 31st March, 2022 |
|---|-----------------------------------|-----------------------------------|
| Less than 6 months | 48.17 | 33.22 |
| 6 months -1 year | 4.08 | 5.23 |
| 1-2 years | - | - |
| 2-3 years | - | 0.63 |
| More than 3 years | 0.63 | - |
| Total | 52.88 | 39.08 |

(₹ in crore)

| Other Receivables | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | - | 0.14 |
| Total | - | 0.14 |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Further, management believes that amounts that are past due by more than 365 days are collectible in full and are not impaired, as the same are recoverable from government entities.

Trade payables:

Major portion of trade payable Management and advisory fees payable and other vendor payments. Based on the past experience the Group will pay off the due on time.

(₹ in crore)

| Trade payables | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | 48.96 | 24.37 |
| 6 months -1 year | - | - |
| 1-2 years | 3.42 | 7.85 |
| 2-3 years | - | 0.28 |
| More than 3 years | 1.50 | 1.35 |
| Total | 53.88 | 33.85 |

Other payables:

(₹ in crore)

| Other payables | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | 46.08 | 52.04 |
| Total | 46.08 | 52.04 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Cash and cash equivalent:

The Company holds cash and cash equivalents of ₹ 94.55 crore as on 31st March, 2023. The cash and cash equivalents are held with banks, which are rated AA- to AA+, based on CRISIL ratings. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Investment in Debt Securities measured at amortised cost.

The Company has made investments in bonds. Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position.

Investment in debt securities that are in government bonds do not carry any credit risk, being sovereign in nature. Credit risk from other financial assets has not increased significantly since initial recognition. Accordingly, the expected probability of default is low.

B. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's investment policy and strategy are focussed on preservation of capital and supporting the Company's liquidity requirements. The Company uses a combination of internal and external management to execute its investment strategy and achieve its investment objectives. The Company typically invests in money market funds, debt funds, equity funds and other highly rated securities under a limits framework, which governs the credit exposure to any one issuer as defined in its investment policy. The policy requires investments generally to be of investment grade, with the primary objective of minimising the potential risk of principal loss.

The following are the remaining contractual maturities of financial assets and financial liabilities at the reporting date. The amounts are gross and undiscounted:

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---|-----------------|-----------------|------------------------|---------------|-------------------|
| | | | 31st March, 2023 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash and cash equivalents | 94.55 | 94.55 | 94.55 | - | - |
| Bank balance other than cash and cash equivalents | 122.88 | 122.88 | - | - | 122.88 |
| Receivables | | | | | |
| - Trade Receivables | 52.88 | 52.88 | 52.88 | - | - |
| - Other Receivables | - | - | - | - | - |
| Loans | 11.46 | 11.46 | 2.95 | 5.57 | 2.94 |
| Investment in Subsidiaries | 238.24 | 238.24 | - | - | 238.24 |
| Investments | 2,640.87 | 2,640.87 | 1,784.86 | 187.40 | 668.61 |
| Other Financial assets | 10.84 | 10.84 | 6.63 | - | 4.21 |
| Total | 3,171.72 | 3,171.72 | 1,941.87 | 192.97 | 1,036.88 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---|-----------------|--------|------------------------|-----------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash and cash equivalents | 20.17 | 20.17 | 20.17 | - | - |
| Bank balance other than cash and cash equivalents | 119.38 | 119.38 | - | - | 119.38 |
| Receivables | | | | | |
| - Trade Receivables | 39.08 | 39.08 | 39.08 | - | - |
| - Other Receivables | 0.14 | 0.14 | 0.14 | - | - |

(₹ in crore)

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|----------------------------|-----------------|-----------------|------------------------|---------------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Loans | 16.60 | 16.60 | 6.26 | 6.21 | 4.13 |
| Investment in Subsidiaries | 216.19 | 216.19 | - | - | 216.19 |
| Investments | 2,553.07 | 2,553.07 | 1,695.95 | 605.92 | 251.20 |
| Other Financial assets | 66.30 | 66.30 | 62.30 | - | 4.00 |
| Total | 3,030.93 | 3,030.93 | 1,823.90 | 612.13 | 594.90 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---|-----------------|---------------|------------------------|--------------|-------------------|
| | | | 31st March, 2023 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Other financial liabilities | | | | | |
| Unclaimed equity dividend | 0.25 | 0.25 | - | - | 0.25 |
| Lease liability | 111.90 | 111.90 | 11.72 | 21.81 | 78.37 |
| Others | 12.76 | 12.76 | - | - | 12.76 |
| Payables | | | | | |
| Trade Payable | | | | | |
| - Payable to Micro enterprises and small enterprises | 0.54 | 0.54 | 0.54 | - | - |
| - Payable to other than Micro enterprises and small enterprises | 53.34 | 53.34 | 48.85 | 3.18 | 1.31 |
| Other Payable | | | | | |
| - Payable to Micro enterprises and small enterprises | - | - | - | - | - |
| - Payable to other than Micro enterprises and small enterprises | 46.07 | 46.07 | 46.07 | - | - |
| Total | 224.86 | 224.86 | 107.18 | 24.99 | 92.69 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|------------------------------------|-----------------|--------|------------------------|-----------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Other financial liabilities | | | | | |
| Unclaimed equity dividend | 0.18 | 0.18 | - | - | 0.18 |
| Lease liability | 104.79 | 104.79 | 11.12 | 20.85 | 72.82 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---|-----------------|-------|------------------------|-----------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Others | 51.69 | 51.69 | 30.15 | - | 21.54 |
| Payables | | | | | |
| Trade Payable | | | | | |
| - Payable to Micro enterprises and small enterprises | 0.38 | 0.38 | 0.38 | - | - |
| - Payable to other than Micro enterprises and small enterprises | 33.47 | 33.47 | 30.75 | 1.81 | 0.91 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---|-----------------|---------------|------------------------|--------------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Other Payable | | | | | |
| - Payable to Micro enterprises and small enterprises | - | - | - | - | - |
| - Payable to other than Micro enterprises and small enterprises | 52.04 | 52.04 | 52.04 | - | - |
| Total | 242.55 | 242.55 | 124.44 | 22.66 | 95.45 |

C. Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to currency risk, interest rate risk and price risk. Financial instruments affected by market risk include investments, loans and deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. The investments in government securities and bonds are at fixed rate of coupon and accordingly the Company does not perceive any interest rate risk.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (wherever revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries. The Company has insignificant amount of foreign currency denominated assets. Accordingly, the exposure to currency risk is insignificant.

Price risk:

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds held by the Company and classified in the balance sheet at fair value through profit or loss and is as follows:

(₹ in crore)

| Particulars | As at | As at |
|------------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Exposure to Price Risk | 2,340.80 | 2,553.07 |

To manage its price risk from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds, the Company diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increases/decreases of the Net Asset Value (NAV) on the Company's investment in Mutual fund and profit for the year. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's investments in mutual funds moved in line with the NAV.

(₹ in crore)

| Particulars | Sensitivity of Profit or loss | |
|-------------------|-------------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| NAV - Increase 5% | 132.04 | 126.84 |
| NAV - Decrease 5% | (132.04) | (126.84) |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
38. FINANCIAL INSTRUMENTS:
A. Fair Value Hierarchy:

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Investment in all mutual fund schemes are included in Level 2.
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Accounting classification and fair valuation:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

| 31st March, 2023 | Carrying Amount | | | Fair Value | | | Total |
|--------------------------------------|-----------------|----------------|-----------------|------------|-----------------|---------------|-----------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | |
| Investments in - | | | | | | | |
| Units of mutual fund schemes | 2,149.90 | - | 2,149.90 | - | 2,149.90 | - | 2,149.90 |
| Units of alternative investment fund | 181.53 | - | 181.53 | - | - | 181.53 | 181.53 |
| Equity securities | 9.37 | - | 9.37 | - | - | 9.37 | 9.37 |
| Total | 2,340.80 | - | 2,340.80 | - | 2,149.90 | 190.90 | 2,340.80 |

(₹ in crore)

| 31st March, 2023 | Carrying Amount | |
|---|-----------------|---------------|
| | Amortised Cost | Total |
| Financial Assets:* | | |
| Investments in Government securities | 212.91 | 212.91 |
| Investments in Corporate debt securities | 87.16 | 87.16 |
| Loans** | 11.46 | 11.46 |
| Trade receivables** | 52.88 | 52.88 |
| Other receivables | - | - |
| Cash and cash equivalents** | 94.55 | 94.55 |
| Bank balance other than cash and cash equivalents ** | 122.88 | 122.89 |
| Other financial assets** | 10.84 | 10.84 |
| Total | 592.68 | 592.69 |
| Financial Liabilities: | | |
| Payables | | |
| Trade Payables | | |
| - Payable to Micro enterprises and small enterprises | 0.54 | 0.54 |
| - Payable to other than Micro enterprises and small enterprises | 53.34 | 53.34 |
| Other Payable | | |
| - Payable to Micro enterprises and small enterprises | - | - |
| - Payable to other than Micro enterprises and small enterprises | 46.08 | 46.08 |
| Other financial liabilities**** | | |
| Unclaimed Dividend | 0.25 | 0.25 |
| Lease Liabilities | 111.90 | 111.90 |
| Others | 12.75 | 12.75 |
| Total | 224.86 | 224.86 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| 31st March, 2022 | Carrying Amount | | | Fair Value | | | Total |
|--------------------------------------|-----------------|----------------|-----------------|------------|-----------------|---------------|-----------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | |
| Investments in - | | | | | | | |
| Units of mutual fund schemes | 2,355.62 | - | 2,355.62 | - | 2,355.62 | - | 2,355.62 |
| Units of alternative investment fund | 188.51 | - | 188.51 | - | - | 188.51 | 188.51 |
| Equity securities | 8.94 | - | 8.94 | - | - | 8.94 | 8.94 |
| Total | 2,553.07 | - | 2,553.07 | - | 2,355.62 | 197.45 | 2,553.07 |

(₹ in crore)

| 31st March, 2022 | Carrying Amount | |
|---|-----------------|---------------|
| | Amortised Cost | Total |
| Financial Assets:* | | |
| Loans** | 16.60 | 16.60 |
| Trade receivables** | 39.09 | 39.09 |
| Other receivables | 0.14 | 0.14 |
| Cash and cash equivalents** | 20.17 | 20.17 |
| Bank balance other than cash and cash equivalents ** | 119.37 | 119.37 |
| Other financial assets** | 66.30 | 66.30 |
| Total | 261.67 | 261.67 |
| Financial Liabilities: | | |
| Payables | | |
| Trade Payables | | |
| Payable to Micro enterprises and small enterprises | 0.38 | 0.38 |
| Payable to other than Micro enterprises and small enterprises | 33.47 | 33.47 |
| Other Payable | | |
| Payable to Micro enterprises and small enterprises | - | - |
| Payable to other than Micro enterprises and small enterprises | 52.04 | 52.04 |
| Other financial liabilities**** | | |
| Unclaimed Dividend | 0.18 | 0.18 |
| Lease Liabilities | 104.79 | 104.79 |
| Others | 51.69 | 51.69 |
| Total | 242.55 | 242.55 |

* Investments in subsidiaries which are carried at cost have not been included above.

** Loans, Trade receivables, cash and cash equivalents, Bank balance other than cash and cash equivalents are carried at amortised cost which is a reasonable approximation of its fair value largely due to the short term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

*** Investment in Mutual Funds are valued at NAV as at 31st March, 2023.

**** Other financial liabilities are carried at amortised cost which is a reasonable approximation of its fair value.

C. Valuation Techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as significant unobservable inputs used.

| Type | Valuation Technique | Significant Unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|--|---|---------------------------------|--|
| Investment in the units of mutual fund schemes | Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed | Net Asset Value (NAV) | A 5% increase in the valuation factor would increase the carrying value of investment by ₹ 107.50 crore. A 5% decrease in the valuation factor would decrease the carrying value of investment by ₹ 107.50 crore |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Type | Valuation Technique | Significant Unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|--|--|--|--|
| Investment in units of alternative investment funds | Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments. | Net Asset Value (NAV) | A 5% increase in the valuation factor would increase the carrying value of investment by ₹ 9.08 crore. A 5% decrease in the valuation factor would decrease the carrying value of investment by ₹ 9.08 crore |
| Investments in Institutional Investor Advisory Services and MF Utilities India Private Limited | IIAs: The valuation of IIAS has been done on Comparative Transaction Method (CTM) based on the appropriate transaction multiple of comparable Company operating in the similar industry in a different geography for the valuation exercise. | IIAS:- Illiquidity discount factor is considered to be 15% | IIAS:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.15 crore |
| | CCM (Comparable Companies Multiple) Method under the market approach has been considered for the valuation exercise. | MFU:- Discount factor is considered to be 30% for illiquidity, different size & business cycle. | MFU:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.02 crore |
| | ARCL (AMC Repo Clearing Limited) Net Asset Value Method under the Cost approach has been considered for the present valuation exercise. | ARCL:- No illiquidity discount has been considered as the Company is in nascent stage and the shares are allotted at the face value of ₹ 10 per share. | ARCL:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.30 crore. |

D. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

(₹ in crore)

| Particulars | Investment in units of alternative investment fund | Investment in equity securities |
|---|--|---------------------------------|
| Balance as at 1st April, 2021 | 275.50 | 2.67 |
| Net gain / (losses) on financial instruments recognised in the Statement of Profit and Loss | 10.23 | 0.33 |
| Purchases of financial instruments | 32.20 | 5.94 |
| Sales of financial instruments | 129.42 | -- |
| Balance as at 31st March, 2022 | 188.51 | 8.94 |
| Net gain / (losses) on financial instruments recognised in the Statement of Profit and Loss | 7.84 | 0.43 |
| Purchases of financial instruments | 31.76 | -- |
| Sales of financial instruments | 46.58 | -- |
| Balance as at 31st March, 2023 | 181.53 | 9.37 |

39.

During the year, the Company has reversed liability of ₹ 8.04 crore towards employee superannuation, as the same is no longer payable, and accounted for as other income. Further, the accrued investment income of ₹ 19.87 crore thereon, has been accounted as income under the head net gain on fair value changes.

40. CAPITAL MANAGEMENT:

The primary objective of the Company's capital management is to maximise the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below:

| Particulars | (₹ in crore) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Total Liabilities | 270.20 | 289.16 |
| Less: Cash and cash equivalents | (94.55) | (20.17) |
| Adjusted Net Debt | 175.65 | 268.99 |
| Total Equity | 3,348.27 | 3,160.45 |
| Adjusted Net Debt to Total Equity Ratio | 0.05 | 0.09 |

41. LEASES:

Company as a lessee:

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. Right of Use asset has been included under the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

The following is the break-up of current and non-current lease liabilities as at 31st March, 2023.

| Particulars | (₹ in crore) | |
|-------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Current lease liabilities | 11.72 | 11.12 |
| Non-current lease liabilities | 100.18 | 93.67 |
| Total | 111.90 | 104.79 |

The following is the movement in lease liabilities during the year ended March 31, 2023

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Opening Balance | 104.79 | 106.57 |
| Additions | 18.82 | 11.34 |
| Finance cost accrued during the year through Statement of Profit and Loss | 9.51 | 9.15 |
| Payment of lease liabilities | (21.22) | (20.21) |
| Adjustments | - | (2.06) |
| Closing Balance | 111.90 | 104.79 |

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2023 on an undiscounted basis.

| Particulars | (₹ in crore) | |
|----------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Less than one year | 21.35 | 19.88 |
| One to Five years | 72.09 | 68.45 |
| More than Five years | 86.11 | 78.71 |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities for financial year 2022-23 is 9.8750% and for the financial year 2021-22 is 8.50%.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
Company as a lessor:

The company leases out its properties of which details of the same are as follows:

(a) Future minimum lease payments:

The future minimum lease payments receivable under non-cancellable leases are as follows:

| Particulars | (₹ in crore) | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Receivable in less than one year | 12.62 | 10.60 |
| Receivable in one to two year | 12.62 | 10.33 |
| Receivable in two to three year | 11.55 | 10.33 |
| Receivable in three to four year | - | 9.32 |
| Receivable in four to five year | - | - |
| Receivable after five years | - | - |

(b) Amounts recognised in Statement of Profit and Loss:

| Particulars | (₹ in crore) | |
|--------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Lease Income | 13.02 | 11.86 |

42. SEGMENT REPORTING:

The Company is in the business of providing asset management services to UTI Mutual Fund and portfolio management and advisory services to clients. The primary segment is identified as asset management services. As such, the Company's financial statements are largely reflective of the asset management business and accordingly there are no separate reportable segments as per Ind AS 108, Operating Segment. The Company has disclosed the segmental information in the consolidated financial statements to comply with the requirements of Ind AS 108.

43. MANAGERIAL REMUNERATION:
(a) The particulars of the remuneration of the key managerial personnel are as under:

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Salary and Allowance (including perquisite and Contribution to Retirement benefits) | 14.13 | 9.25 |
| Total | 14.13 | 9.25 |

(b) The Managerial remuneration paid to key managerial personnel is in accordance with the provision of section 197 of companies Act, 2013.
44. DIVIDEND:

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Dividends on equity shares declared and paid during the year | | |
| Final dividend | | |
| Paid for the earlier financial year | 266.59 | 215.54 |
| Dividend per share (₹) | 21 | 17 |
| Total dividend paid | 266.59 | 215.54 |
| Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year end) | | |
| Final dividend for the same financial year | 279.36 | 266.59 |
| Dividend per share | 22 | 21 |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

45. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

- (a) As per Section 135 of the Companies Act, 2013 (the 'Act'), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilised through the year on CSR activities which are specified in Schedule VII of the Act:

| Particulars | (₹ in crore) | |
|--|---|------------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Gross amount required to be spent during the year | 9.07 | 8.84 |
| Amount approved by the Board to be spent during the year | 9.08 | 8.84 |
| Amount of expenditure incurred during the year* | 9.08 | 6.35 |
| Shortfall at the end of the year | - | 2.49 |
| Total of previous years shortfall | - | 3.85 |
| Reason for Shortfall | - | Pertains to ongoing projects |
| Nature of CSR activities | Promoting education, healthcare and water conservation. | |
| Details of Related Party Transactions | Nil | Nil |
| Provision made for liability incurred by entering into contractual Obligations | Not Applicable | Not Applicable |

*Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

| Sr. No. | Particulars | (₹ in crore) | |
|---------|---------------------------------------|---------------------------|---------------------------|
| | | As at 31st March, 2023 | As at 31st March, 2022 |
| 1 | Construction/acquisition of any asset | - | - |
| 2 | On purposes other than (1) above | 9.08 | 8.84 |
| | Total | 9.08 | 8.84 |

(b) Details of Other than ongoing Projects (Section 135(5) of the Act):

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Opening Balance | - | - |
| Amount deposited in specified Fund of Schedule VIII within Six months | - | - |
| Amount required to be spent during the year | 9.08 | 4.93 |
| Amount Spent during the year | 9.08 | 4.93 |
| Closing Balance | - | - |

(c) Details of ongoing Projects (Section 135(6) of the Act):

| Particulars | (₹ in crore) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Opening Balance | | |
| - With Company | - | - |
| - In Separate CSR Unspent account | 1.36 | - |
| Amount transferred in Separate CSR Unspent account during the year | 2.49 | 5.06 |
| Amount required to be spent during the year as per Section 135 (5) of the Companies Act, 2013 | - | 3.91 |
| Amount Spent during the year | | |
| - From Companies bank account | - | 1.42 |
| - From CSR unspent account | 3.85 | 3.69 |
| Closing Balance | | |
| - With Company | - | 2.49 |
| - In Separate CSR unspent account | - | 1.36 |

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
46. TRANSACTIONS WITH UTI MUTUAL FUND:

(₹ in crore)

| Nature of Transactions | Transactions for the year ended 31st March, 2023 | Outstanding at the year end 31st March, 2023 | Transactions for the year ended 31st March, 2022 | Outstanding at the year end 31st March, 2022 |
|---|--|--|--|--|
| Management Fees | 871.83 | 23.84 | 870.10 | 22.91 |
| Reimbursement received towards advances | 150.89 | 1.02 | 59.30 | 4.45 |
| Payable | 0.32 | 0.32 | -- | -- |

47. ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE ACT:

- (a) The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following where the Company is a lessee and lease agreements are not duly executed in the favour of lessee:

| Description of property (Right of Use Assets) | Gross carrying value | Held in the name of | Whether promoter, director or their relative or employee | Period held- indicate range, where appropriate | Reason for not being held in the name of the Company. Also indicate if in dispute |
|--|----------------------|---|--|--|---|
| 16/77 Civil Lines, Kanpur. Uttar Pradesh - 208001 | 1.07 | Mr. Dipankar Ganguly | No | 6th July, 2022 | Agreement is not executed in the name of the Company until 31st March, 2023. A lease letter has been signed between the lessor and the lessee. The lease is not under dispute |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat – 390007 | 0.48 | Mrs. Taraben Pravinbhai Patel | No | 16th August, 2022 | |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat – 390007 | 0.96 | M/s A. S. Motors | No | 16th August, 2022 | |
| Taha Plaza, 10/4/2, South Bypass Road, Vannarpet, Tirunelveli, Tamil Nadu - 627003 | 0.50 | Mrs. M Meharunisha Begum | No | 26th October, 2022 | |
| B-6, Ground Floor, S. K. Plaza, Bhilwara, Rajasthan - 311001 | 0.44 | Mohan Bhai Desai | No | 5th February, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.12 | Mrs. Ayishabi | No | 15th March, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Mymoona Aydeed a.k.a Shereefa Mymoona | No | 15th March, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Sayed Mohammed Ashraf Aydeed | No | 15th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Deepa Sanjay Patel | No | 24th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Rupa Vipul Patel | No | 24th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Mona Parag Shah | No | 24th March, 2023 | |

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

- (b) Fair value of Investment property (as measured for disclosure purposes in the financial statements) by the Company, is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (c) The Company has not revalued its property, plant and equipment's (including right-of-use assets) during the current or previous year.
- (d) The Company has not revalued its intangible assets during the current or previous year.
- (e) During the year, the Company has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly with any other person, that are:
- repayable on demand or
 - without specifying any terms or period of repayment.

(f) Capital-Work-in Progress:

(₹ in crore)

| Particulars | 31st March, 2023 | | 31st March, 2022 | |
|-------------------|----------------------|--------------------------------|----------------------|--------------------------------|
| | Projects in progress | Projects temporarily suspended | Projects in progress | Projects temporarily suspended |
| Less than 1 year | 6.48 | - | 5.68 | - |
| 1-2 years | - | - | 0.87 | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | 6.48 | - | 6.55 | - |

There is no capital work in progress as at 31 March 2023, whose completion is overdue or has exceeded its cost as compared to original plan.

(g) Intangible assets under development

(₹ in crore)

| Particulars | 31st March, 2023 | | 31st March, 2022 | |
|-------------------|----------------------|--------------------------------|----------------------|--------------------------------|
| | Projects in progress | Projects temporarily suspended | Projects in progress | Projects temporarily suspended |
| Less than 1 year | 2.40 | - | 0.99 | - |
| 1-2 years | - | - | 0.43 | - |
| 2-3 years | 0.18 | - | 0.36 | - |
| More than 3 years | - | - | - | - |
| Total | 2.58 | - | 1.78 | - |

There is no Intangible assets under development as at 31st March, 2023, whose completion is overdue or has exceeded its cost as compared to original plan.

- (h) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company.
- (i) The Company has availed overdraft facility from bank on the basis of security of current assets during the year. The balance outstanding at the year ended 31st March, 2023 is NIL (Balance Outstanding as on 31st March, 2022 is NIL). As per the sanction term, the Company is not required to file quarterly returns or statements with the bank. The Company has used the overdraft facility from bank for the specific purpose for which it was taken.
- (j) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (k) During the current year, the Company does not have any transactions with the companies struck off under section 248 of the Act or Section 560 of the Companies Act 1956.
- (l) The Company has not created charge with ROC Mumbai (due from last 2.5 months) on the fixed deposits given as security for the overdraft facility availed.
- (m) The Company has complied with the number of layers for investments made as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
(n) Ratio analysis:

| (₹ in crore) | | | | |
|--------------|---|------------------|------------------|----------|
| Sr. No. | Ratios | 31st March, 2023 | 31st March, 2022 | Variance |
| 1. | Capital to Risk-Weighted Assets Ratio (CRAR)* | NA | NA | NA |
| 2. | Tier I CRAR* | NA | NA | NA |
| 3. | Toer II CRAR* | NA | NA | NA |
| 4. | Liquidity Coverage Ratio [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)] | 18.12 | 14.66 | 3.46 |

* Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

- (o)** During the year, the Company has not entered into scheme of arrangements.
- (p)** (i) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"); or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (q)** The Company does not have transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (r)** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Sameer Mota
Partner
Membership Number: 109928

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary
(ACS 21577)

Jaipur
26th April, 2023

Jaipur
26th April, 2023

UTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED

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DIRECTORS' REPORT

To The Members

UTI Venture Funds Management Company Private Limited.

Your directors present the Twenty second Annual Report with the Audited Financials of the Company for the year ended 31st March, 2023.

FINANCIAL ACHIEVEMENTS

(Amounts in lakhs unless otherwise stated)

| | Standalone | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
| Total income | 125.12 | 223.36 |
| Loss / Profit before Tax | 111.51 | 85.52 |
| Provision for Taxation incl. Deferred Taxation and Other Comprehensive Income | 26.46 | (3.24) |
| Net (Loss) / Profit after Taxation | 85.05 | 88.75 |
| Balance of Profit brought forward | 349.50 | 260.75 |
| Transfer from general reserve | - | - |
| Profit available for appropriation | 434.55 | 349.50 |
| <u>Appropriations</u> | | |
| Capital Redemption Reserve | - | - |
| General Reserve | - | - |
| Interim Dividend | - | - |
| Tax on Dividend | - | - |
| Balance carried to Balance Sheet | 434.55 | 349.50 |

REVIEW OF OPERATIONS

Income

The total income for the year was ₹ 125.12 lakhs as against the previous year's income of ₹ 223.36 lakhs. The income of your Company is on account of Revenue from operations of the Company comprising of Interest income, Net Gain on fair value changes, Distribution of profit from Ascent India Fund and Net gains from derecognition of financial instruments under FVTPL category.

Expenses

Your Company's total expenses for the year were ₹ 13.61 lakhs as against ₹ 137.84 lakhs in the previous year.

Profits

Your Company made a Profit after tax for the year amounting to ₹ 85.05 lakhs as compared to previous year with loss after tax of ₹ 88.75 lakhs.

Exceptional Items

During the year, the Company did not enter into any such transactions, which would have reflected as an Exceptional item for the year.

Change in nature of business:

There was no change in the nature of business carried on by the Company during the said financial year.

Share Capital:

The authorised share capital as on 31st March, 2023 was ₹ 600.00 lakhs. During the year under review there was no alteration in the share capital of the Company.

The paid-up share capital as on 31st March, 2023 was ₹ 455.00 lakhs. During the year under review, there was no change in the paid-up share capital of the Company.

Dividend

The Board of Directors did not recommend any dividend for the FY 2022-23.

Transfer to reserves:

The Company has not transferred any profit to reserves for the said financial year.

Information about subsidiary/ Joint Venture/ Associate Company:

The Company continues to be a wholly owned subsidiary of UTI Asset Management Company Limited.

During the said financial year, no other company has become or ceased to be a subsidiary / joint venture / associate company of the Company.

Transfer of unclaimed/unpaid dividend to Investor Education and Protection Fund:

The Company need to transfer unclaimed/unpaid dividend to the Investor Education and Protection Fund did not arise during the said financial year.

Material changes and commitments:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and on the date of this report.

Loans, guarantees and investments:

The Company has not advanced any loan or given guarantee or provided security in connection with any loan to any person or body corporate, under Section 186 of the Act, during the said financial year.

Related party transactions:

The Company has not entered into any contract / arrangement with related parties, as referred to in Section 188 of the Act, other than those disclosed under the financial statements for the year under review. The only related party transaction that occurred during the FY 2022-23 was the receipt of temporary funds from the Holding Company UTI AMC Limited of ₹ 1,50,000/- on 15th March, 2023. The said sum was repaid on 16th March, 2023.

DIRECTORS' REPORT (Contd.)

Auditors and their report:

Chhajed & Doshi, Chartered Accountants, having office at 101, Hubtown Solaris, Near East West Flyover, N.S. Phadke Marg, Andheri (E), Mumbai 400069, were appointed as the statutory auditors of the Company by pursuant to their letter dated 22nd July, 2021 for the FY 2022-23.

Furthermore, the Auditors' Report for the financial year ended, 31st March, 2023 is annexed herewith for your kind perusal and information as **Annexure –1**.

STANDALONE & CONSOLIDATED FINANCIALS:

Qualification in the Audit Report:

There are no qualification in the Statutory Audit Report for the year.

Conservation of energy, technology absorption and foreign exchange earnings & outgo:

A. Conservation of energy:

The Company is not paying rent and hence the same is not applicable.

B. Technology absorption:

Since the Company is carrying on fund management activity there is no absorption of technology.

C. Foreign exchange earnings and outgo:

Foreign exchange inflow – NIL

Foreign exchange outflow – NIL

Risk Management:

Your Company has periodic assessments to identify the risk areas. A review of the potential risk is made and management is briefed on the risks in advance which enables the Company to control risk through a properly defined plan. The elements of risk threatening the Company's existence is very minimal.

Corporate Social Responsibility ("CSR"):

The Company is not covered under the mandatory provisions of CSR under the Act, for the said financial year.

Directors and Key Managerial Personnel ("KMP"):

For the financial year ended 31st March, 2023, Mr. I Rahman (DIN: 01818725) Director, Mr. Surojit Saha (DIN: 06584521) Director and Mr. Rohit Gulati (DIN: 08366349) Director are on the Board of your Company.

Meetings of the Board of Directors:

The Company has held 4 (Four) Board meetings during the said financial year and the attendance details of each of the directors at the said Board Meetings are as under:

| Board Meeting | Attendance of Directors | | |
|--------------------|-------------------------|------------------|------------------|
| | Mr. I Rahman | Mr. Surojit Saha | Mr. Rohit Gulati |
| 20th April, 2022 | Absent | Present | Present |
| 14th July, 2022 | Absent | Present | Present |
| 07th October, 2022 | Absent | Present | Present |
| 09th January, 2023 | Present | Present | Present |

Deposits:

The Company has not accepted any deposits covered under Chapter V of the Act, during the said financial year.

Internal Financial Controls and their adequacy

The Company has adequate and necessary policies and procedures in place for orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors and for ensuring accuracy and completeness of accounting records and timely preparation of reliable financial statements.

Annual Evaluation:

The provision of section 134(3)(p) relating to Board evaluation is not applicable on the Company for the FY 2022-23.

Independent directors and declaration:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company.

Nomination, Remuneration and Stakeholders Relationship Committee:

The Provisions of Sec. 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 pertaining to Constitution of Nomination & Remuneration Committee is not applicable to the Company for the FY 2022-23.

Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

Secretarial Audit report:

The provisions of Section 204 of the Companies Act, 2013 pertaining to the Secretarial Audit do not apply to our Company.

Cost Audit:

The provisions of Section 148 of the Companies Act, 2013 pertaining to the Cost Audit do not apply to our Company.

Vigil Mechanism:

The provisions of Section 177(9) and (10) of the Companies Act, 2013 do not apply to our Company.

**DIRECTORS' REPORT (Contd.)****Shares****a. Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

No Bonus Shares are issued during the year under review.

d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

e. Equity shares with differential voting rights:

The Company has not issued Equity Shares with differential voting rights within the meaning of Section 43(a) (ii) of Companies Act, 2013 read with rules made there under.

Significant and material orders passed by the regulators/ courts/ tribunals:

There are no significant orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

Statement on Compliance of applicable Secretarial Standards:

The Board of Directors of the Company confirms that the applicable secretarial standards have been complied with.

Complaints of sexual harassment:

No complaints of sexual harassment have been received during the said financial year.

Details in respect of fraud reported by auditors:

No instances of fraud are reported by auditors pursuant to Section 143 (12) of the Companies Act, 2013.

Director's Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended 31st March, 2023 and of the profit and loss of the Company for that period;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the accounts for the year ended 31st March, 2023 is prepared on a 'going concern' basis;
- e) that the Company being an unlisted company, Section 134(5)(e) of the Act does not apply.
- f) that the directors had devised proper systems to ensure compliance with the provisions.

Acknowledgement

Relationships with members, investors of the funds under management, Reserve Bank of India, Securities and Exchange Board of India, Department of Company Affairs, other Regulatory authorities, investee companies and our bankers remained excellent during the year under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement.

For and on behalf of the Board of Directors
**UTI Venture Funds Management
Company Private Limited**

Place: Mumbai

Date: 17th April, 2023

Surojit Saha

Director

(DIN: 06584521)

Imtaiyazur Rahman

Director

(DIN: 01818725)



INDEPENDENT AUDITOR'S REPORT

The Members of

UTI Venture Funds Management Company Private Limited

Mumbai

REPORT ON THE IND AS FINANCIAL STATEMENTS

1. Opinion

We have audited the standalone financial statements of **UTI Venture Funds Management Company Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

We draw attention to Note No. 5 to the financial statements which describe the valuation of the investment as on balance sheet date in the matter of:

- a. Fair value of units in Ascent India Fund III are based on estimated/unaudited statements.
- b. UTI Private Equity Limited, Mauritius (Subsidiary company) has been shut down. The total investment in the shares of the subsidiary company was impaired. Consequently, the provision for impairment and the investment has been squared off.

Our opinion is not modified in respect of these matters.

4. Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

When we read the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters

INDEPENDENT AUDITOR'S REPORT (Contd.)

related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Report on Other Legal and Regulatory Requirements

- 7.1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure I** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 7.2 As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

INDEPENDENT AUDITOR'S REPORT (Contd.)

(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The Provisions of Section 143(3) (i) regarding reporting on adequate internal financial control does not apply to the company.

(g) In accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of information and according to the explanations given to us, no remuneration was paid by the company to its directors during the year, and hence reporting thereunder is not applicable.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its IND AS financial statements – Refer Note No. 16 of the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or

loaned or invested (either from borrowed funds or share premium or other sources or kinds of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or lend or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

v. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

vi. no dividend has been declared or paid during the year by the company.

For **CHHAJED & DOSHI**
Chartered Accountants
[Firm Reg. No.101794W]

CA. Kiran K Daftary
Partner

Place: Mumbai
Date: 13th April 2023

M. No. 010279
UDIN: 23010279BGXFWA4696

INDEPENDENT AUDITOR'S REPORT (Contd.)

UTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED 2022-23

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

- (i) (a) The Company does not have any Property, Plant and Equipment as well as Intangible Assets, accordingly the provisions of paragraph 3(i)(a)(a), 3(i)(a)(b) and 3(i)(b) of the Order is not applicable.
- (b) The Company did not own any immovable property and accordingly, the provisions of paragraph 3 (i)(c) of the Order is not applicable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (d) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is an investment company, accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in Companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.

According to the information and explanations given to us and based on the audit procedures conducted by us,

we are of the opinion that the investments made by the company are, prima facie, not prejudicial to the interest of the company.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. In respect of the investments made by the Company, the provisions of section 186 of the Companies Act, 2013 have been complied with
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013 or other laws.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company is not having any internal audit system. Further the company is not required to carry out internal audit as required under section 138 of companies act 2013.
- (b) Since there is no internal audit system, therefore consideration of the same by auditors does not arise.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **CHHAJED & DOSHI**
Chartered Accountants
[Firm Reg. No.101794W]

CA. Kiran K Daftary
Partner

Place: Mumbai

Date: 13th April 2023

M. No. 010279

UDIN: 23010279BGXFWA4696

BALANCE SHEET

AS ON 31ST MARCH, 2023

(₹ in lakhs)

| Particulars | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|--|----------|------------------------|------------------------|
| ASSETS | | | |
| (1) Financial Assets | | | |
| (a) Cash and cash equivalents | 3 | 3.09 | 14.09 |
| (b) Bank Balance other than (a) | 4 | - | 368.64 |
| (c) Investments | 5 | 1,365.46 | 879.89 |
| Total Financial Assets | | 1,368.55 | 1,262.62 |
| (2) Non-Financial Assets | | | |
| (a) Current tax assets (net) | 6 | 0.43 | 6.23 |
| (b) Property, plant and equipment | | - | - |
| (c) Intangible Assets | | - | - |
| (d) Other Non Financial assets | | - | - |
| Total Non-Financial Assets | | 0.43 | 6.23 |
| TOTAL ASSETS | | 1,368.98 | 1,268.85 |
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| (1) Financial Liabilities | | | |
| (a) Payable | | | |
| (I) Trade payables | | | |
| - total outstanding dues of micro and small enterprises | | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - |
| (II) Other payables | | | |
| - total outstanding dues of micro and small enterprises | | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 7 | 3.48 | 3.78 |
| (b) Borrowings (Other than debt securities) | | - | - |
| (c) Other Financial Liabilities | | - | - |
| Total Financial Liabilities | | 3.48 | 3.78 |
| (2) Non-Financial Liabilities | | | |
| (a) Provisions | 9 | 6.90 | 6.90 |
| (b) Deferred Tax Liability | 22 | 56.96 | 41.47 |
| (c) Other Non Financial Liabilities | 8 | 0.05 | 0.16 |
| Total Non-Financial Liabilities | | 63.91 | 48.53 |
| Equity | | | |
| Equity Share Capital | 11 | 455.00 | 455.00 |
| Other Equity | 10 | 846.59 | 761.54 |
| | | 1,301.59 | 1,216.54 |
| TOTAL EQUITY AND LIABILITIES | | 1,368.98 | 1,268.85 |

Significant accounting policies and notes forming part of financial statements 1&2

As per our report of even date attached
For **CHHAJED & DOSHI**
Chartered Accountants
FRN: 101794W

CA Kiran K Daftary
Partner
MRN: 010279

Date: 13th April, 2023
Place: Mumbai

For UTI Venture Funds Management Co. Private Limited

Imtaiyazur Rahman
Director
DIN : 01818725

Date: 13th April, 2023
Place: Mumbai

Surojit Saha
Director
DIN : 06584521

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED ON 31ST MARCH, 2023

(₹ in lakhs)

| Particulars | Note No. | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|--|----------|-------------------------------------|-------------------------------------|
| INCOME | | | |
| Revenue from Operations | | | |
| i) Interest Income | 12 | 3.92 | 12.33 |
| ii) Net Gain on fair value changes | 12 | 71.76 | - |
| iii) Others - Net gains from derecognition of financial instruments under FVTPL category | 12 | 48.08 | 210.71 |
| Total Revenue from Operations | | 123.76 | 223.04 |
| Other Income | 13 | 1.36 | 0.32 |
| Total Income | | 125.12 | 223.36 |
| EXPENSES | | | |
| i) Net Loss on fair value changes | 14 | - | 120.43 |
| ii) Other Expenses | 15 | 13.61 | 17.41 |
| Total Expenses | | 13.61 | 137.84 |
| Profit/(Loss) before exceptional items and tax | | 111.51 | 85.52 |
| Exceptional item | | - | - |
| Profit/(Loss) before tax | | 111.51 | 85.52 |
| Tax expense: | 22 | | |
| - Current tax | | 10.98 | 30.16 |
| - Deferred tax | | 15.48 | (33.40) |
| | | 26.46 | (3.24) |
| Profit/(Loss) for the year / period | | 85.05 | 88.75 |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | - | - |
| Items that will be reclassified to profit or loss | | - | - |
| Other Comprehensive Income for the year / period | | - | - |
| Total Comprehensive Income for the year / period | | 85.05 | 88.75 |
| Basic and diluted earnings per equity share (of ₹ 10/- face value) | | | |
| - before exceptional items | | 1.87 | 1.95 |
| - after exceptional items | | 1.87 | 1.95 |
| Weighted Average No. of Equity Shares used in above computation | | 45.50 | 45.50 |
| Significant accounting policies and notes forming part of financial statements | 1&2 | | |

As per our report of even date attached
For **CHHAJED & DOSHI**
Chartered Accountants
FRN: 101794W

For UTI Venture Funds Management Co. Private Limited

CA Kiran K Daftary
Partner
MRN: 010279

Imtaiyazur Rahman
Director
DIN : 01818725

Surojit Saha
Director
DIN : 06584521

Date: 13th April, 2023
Place: Mumbai

Date: 13th April, 2023
Place: Mumbai

CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2023

(₹ in lakhs)

| Particulars | For the year ended on 31st March, 2023 | | For the Year ended on 31st March, 2022 | |
|---|---|----------------|---|----------------|
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net profit/(loss) before taxation | | 111.51 | | 85.52 |
| Adjustments for: | | | | |
| Fair value gains/losses on financial instruments | (71.76) | | 120.43 | |
| Distributed profit from venture fund | (47.81) | | (197.86) | |
| Profit on sale of Current and Non Current Investments (net) | (0.27) | | (12.85) | |
| Interest accrued on fixed deposits | (3.92) | | (12.33) | |
| Provision for dimunition/(write back) (net) | - | (123.76) | - | (102.61) |
| Operating profit before working capital changes | | (12.25) | | (17.09) |
| Adjustments for changes in working capital: | | | | |
| (Increase) / Decrease in other non- financial assets | 5.80 | | 0.56 | |
| (Increase) / Decrease in Financial asset | - | | 0.28 | |
| Increase / (Decrease) in Other payables | (0.30) | | (1.77) | |
| Increase / (Decrease) in long term provisions | - | | - | |
| Increase / (Decrease) in short term provisions | - | | - | |
| Increase / (Decrease) in other current liabilities | (0.11) | 5.39 | (1.45) | (2.38) |
| Cash generated from operations | | (6.86) | | (19.46) |
| Income taxes paid (net of refunds) | | (10.98) | | (30.16) |
| Net cash from operating activities | | (17.84) | | (49.63) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Receipts from distributions from venture funds | 79.26 | | 396.40 | |
| Proceeds from redemption of investments (mutual funds/money market) | 5.00 | | 49.92 | |
| Purchase of investments (mutual funds) | (449.98) | | (449.98) | |
| (Increase)/Decrease in Deposits | 368.64 | | (11.09) | |
| Interest accrued / received on fixed deposits | 3.92 | | 12.33 | |
| Net cash from investing activities | | 6.84 | | (2.42) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Borrowings | - | | - | |
| Dividends paid | - | | - | |
| Net cash used in financing activities | | - | | - |
| Net increase/(decrease) in cash and cash equivalents | | (11.00) | | (52.05) |
| Cash and cash equivalents at the beginning of the year | | 14.09 | | 66.14 |
| Cash and cash equivalents at the end of the year | | 3.09 | | 14.09 |

Significant accounting policies and notes forming part of financial statements - Note no. 1 & 2

Cash-flow statement has been prepared using indirect method as envisaged by the Ind AS 7 on Statement of Cash flows.

 As per our report of even date attached
 For **CHHAJED & DOSHI**
 Chartered Accountants
 FRN: 101794W

CA Kiran K Daftary
 Partner
 MRN: 010279

 Date: 13th April, 2023
 Place: Mumbai

For UTI Venture Funds Management Co. Private Limited

Imtaiyazur Rahman
 Director
 DIN : 01818725

 Date: 13th April, 2023
 Place: Mumbai

Surojit Saha
 Director
 DIN : 06584521

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakhs)

| | Reserves and Surplus | | | | Total Other Equity |
|--|----------------------|----------------------------|-----------------|-------------------|--------------------|
| | Capital Reserve | Capital Redemption Reserve | General Reserve | Retained Earnings | |
| Balance as at 1st April, 2021 | 190.09 | 45.01 | 176.94 | 260.75 | 672.79 |
| Profit/(Loss) for the year | - | - | - | 88.75 | 88.75 |
| Dividend Paid | - | - | - | - | - |
| Other comprehensive income - Remeasurement of defined benefit obligation | - | - | - | - | - |
| Balance as at 31st March, 2022 | 190.09 | 45.01 | 176.94 | 349.50 | 761.54 |
| Profit/(Loss) for the year | - | - | - | 85.05 | 85.05 |
| Dividend paid during the year | - | - | - | - | - |
| Other comprehensive income - Remeasurement of defined benefit obligation | - | - | - | - | - |
| Balance as on 31st March, 2023 | 190.09 | 45.01 | 176.94 | 434.55 | 846.59 |

Significant accounting policies and notes forming part of financial statements - Note no. 1 & 2

As per our report of even date attached
For **CHHAJED & DOSHI**
Chartered Accountants
FRN: 101794W

CA Kiran K Daftary
Partner
MRN: 010279

Date: 13th April, 2023
Place: Mumbai

For UTI Venture Funds Management Co. Private Limited

Imtaiyazur Rahman
Director
DIN : 01818725

Date: 13th April, 2023
Place: Mumbai

Surojit Saha
Director
DIN : 06584521

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023

1 BACKGROUND

UTI Venture Funds Management Co. Private Limited ("the Company") is a wholly owned subsidiary of UTI Asset Management Co. Limited. The Company's business consists of managing Private Equity and Venture Funds. However, it did not carry on any active business during the year.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The Financial Statements comply in all material aspects with Indian Accounting Standards notified under section 133 of the Companies Act, 2013 ("the Act") in terms of Indian Accounting Standard Rules, 2015 and relevant provisions of the Act. The Financial Statements upto and including the year ended 31st March, 2018 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 and other relevant provisions of the Act.

b) Use of Estimates

The preparation of financial statements require the management of the Company to make estimation, judgements and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include NAV of investments, provision for accrued contribution to defined benefit plans, useful life of Property, Plant and Equipments, provision for onerous contracts and contingencies. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognised prospectively in the current and future periods.

c) Property, Plant and Equipment and Intangible Assets

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognised in the Statement of Profit and Loss when the asset is disposed. The company provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

Computer equipment- 3 years

Furniture & Fixtures- 10 years

Office Equipment- 5 years

Leasehold improvements are amortised over the period of lease.

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss.

d) Financials Instruments

i. Financial Assets (other than investments in subsidiaries)

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Accordingly, initial recognition of investments in mutual funds and venture funds are recognised at fair value. Interest-free security deposits are measured at Amortised Cost which shall be the present value of all expected future repayments discounted at prevailing market rates.

As per IND AS 109, Financial Assets have to be measured as follows:

a) *Financial assets carried at Amortised Cost (AC)*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

outstanding. Accordingly, rent deposits given to Landlords which are interest free have also been given similar treatment.

b) *Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)*

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) *Financial assets at Fair Value Through Profit or Loss (FVTPL)*

A financial asset which is not classified in any of the above categories is measured at FVTPL. Accordingly investments in mutual funds & venture funds will be measured at fair value through profit & loss.

ii. Financial assets - Investments in Subsidiaries

According to IND AS, the Company has following options to account for the subsidiaries:

- a. At cost as per IND AS 27.
- b. At Fair Value through Profit & Loss or Other Comprehensive Income as per IND AS 109

Accordingly, the Company has accounted for its investments in subsidiaries at cost.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables and investments.

iii. Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity. Financial liabilities are carried at amortised cost using

the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

e) Transactions in foreign currency

Company's functional currency is Indian Rupees (₹). Transactions in foreign currency are accounted for at the rate of exchange prevailing at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the Statement of Profit and Loss.

f) Revenue recognition

Income from management fees is recognised when they contractually accrue except when collectability is in doubt. Dividend income from investments is accounted when the right to receive dividends is established. Interest and other income are accounted on accrual basis.

g) Employee Benefits

Short-term Employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Defined benefit plans

Gratuity, which is a defined benefit scheme, is not funded and the cost of providing services is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognised immediately. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

h) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

i) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Current income tax for the current and prior periods are measured at the amount expected to be paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. Deferred income tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

j) Contingencies and Provisions

In accordance with Ind AS 37, provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not recognised in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable. The Company estimates the unavoidable costs of meeting its obligation under a contract(s) which exceed the

economic benefits expected to be received under it and recognises the same. Provision are validated every year and excess/short provision are adjusted in the statement of profit and loss.

k) Impairment of assets (other than financial assets)

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

l) Fair value hierarchy

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

m) Segment Reporting

The Company is primarily engaged in the investment management business. Company's chief operating decision makers review the Company's operation as a whole and no different segments have been identified for this purposes and accordingly, the Company do not have more than one operating segments as per Ind AS 108 'Operating Segments'. Hence there is no separate reporting requirement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

3 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------------------|---------------------------|---------------------------|
| Cash in Hand | - | - |
| Balance with bank in current account | 3.09 | 14.09 |
| TOTAL | 3.09 | 14.09 |

4 BALANCE WITH BANKS OTHER THAN IN CASH & CASH EQUIVALENTS

(₹ in lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Balance with bank - in deposit account | - | 368.64 |
| | - | 368.64 |

Note:

- (i) The balance with bank in current or deposit accounts **are not Earmarked** for any specific purpose.
- (ii) Balances with bank - in current or deposit accounts are **not held** as margin money or security against the borrowings, guarantees, other commitments shall be disclosed separately.

5 INVESTMENTS (UNQUOTED)

(₹ in lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| <u>Investments in Equity Instruments (at cost)</u> | | |
| a. Investment in Subsidiary Company Outside India | | |
| Less: Provision for impairment | | |
| UTI Private Equity Limited, Mauritius has been shut down. The total investment in the shares of the subsidiary was impaired. Consequently, the provision for impairment and the investment has been squared off. | | |
| <u>Investments in Units of Mutual Fund (at fair value through profit or loss)</u> | | |
| UTI Credit Risk Fund - Direct Growth Plan 315,569.178 units at an NAV of ₹ 16.0935 as on 31st March, 2023 | 50.79 | 48.28 |
| UTI Money Market Mutual Fund - Direct Growth Plan 34,075.426 units at an NAV of ₹ 2,634.8639 as on 31st March, 2023 | 897.84 | 418.56 |
| <u>Investments in Units of Fund (at fair value through profit or loss*)</u> | | |
| a. Investment in Ascent India Fund - III* Class D 1,750.05 units at an NAV of ₹ 127.73/- per unit as on 31st March, 2023 | 2.24 | 2.04 |
| b. Investment in Ascent India Fund - III* Class C 2,07,221.97 units at an NAV of ₹ 200.07/- per unit as on 31st March, 2023 | 414.59 | 411.01 |
| TOTAL | 1,365.45 | 879.89 |
| Aggregate amount of unquoted investments | 1,365.45 | 879.89 |

6 CURRENT TAX ASSETS

(₹ in lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Advance Income Tax (Net of provisions) | - | 6.23 |
| Income Tax Refund | 0.69 | - |
| Income Tax Payable | (0.26) | - |
| TOTAL | 0.43 | 6.23 |

* Fair value of units in Ascent India Fund III are based on estimated/unaudited statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
7 OTHER PAYABLE

(₹ in lakhs)

| Particulars | As at | |
|---------------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Professional Fees Payable | 3.48 | 3.78 |
| TOTAL | 3.48 | 3.78 |

8 OTHER NON FINANCIAL LIABILITIES

(₹ in lakhs)

| Particulars | As at | |
|----------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Statutory dues | 0.05 | 0.16 |
| TOTAL | 0.05 | 0.16 |

9 PROVISIONS

(₹ in lakhs)

| Particulars | As at | |
|-------------------------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Other provisions (Refer to Note 21) | 6.90 | 6.90 |
| TOTAL | 6.90 | 6.90 |

10 OTHER EQUITY

(₹ in lakhs)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Capital Reserve (A) | 190.09 | 190.09 |
| Capital Redemption Reserve (B) | 45.01 | 45.01 |
| General Reserve | | |
| Opening Balance | 176.94 | 176.94 |
| Less: Dividend Paid | - | - |
| Closing Balance (C) | 176.94 | 176.94 |
| Retained Earnings | | |
| Opening Balance | 349.50 | 260.75 |
| Add: Total Comprehensive income for the period/year | 85.05 | 88.75 |
| Closing Balance (D) | 434.55 | 349.50 |
| TOTAL (A + B + C + D + E) | 846.59 | 761.54 |

11 EQUITY SHARE CAPITAL

(₹ in lakhs)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Share Capital | | |
| a) Authorised Share Capital | 600 | 600 |
| 6,000,000 Equity Shares with voting rights of ₹ 10/- each | | |
| b) Issued, Subscribed & Fully Paid Up | 455 | 455 |
| [4,550,000 Equity Shares with voting rights (Previous Year - 4,550,000) of ₹ 10/- each fully paid-up] | | |
| Refer Note 13A and Note 13B below | | |
| | 455 | 455 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Terms/rights to attached equity shares :

The Company has only one class of Equity share, having a par value of ₹ 10/- . Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company , after distribution of all preferential amount . However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

11A MOVEMENT IN THE OUTSTANDING EQUITY SHARES WITH VOTING RIGHTS DURING THE YEAR.

| Particulars | As on 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|------------------|------------------------|------------------|
| | Number in lakhs | Value ₹ in lakhs | Number in lakhs | Value ₹ in lakhs |
| Shares outstanding at the beginning of the year | 45.50 | 455.00 | 45.50 | 455.00 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 45.50 | 455.00 | 45.50 | 455.00 |

11B DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

| Name of Shareholder | As on 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| UTI Asset Management Co. Limited (including 70 shares held by their nominees) | 45.50 | 100% | 45.50 | 100% |

12 REVENUE FROM OPERATIONS

| Particulars | (₹ in lakhs) | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
| (i) Interest Income | | |
| Interest on Bank Deposit | 3.92 | 12.33 |
| | 3.92 | 12.33 |
| (ii) Net Gain on financial instruments at fair value through profit or loss | | |
| Changes in fair value of investments on marked-to-market (unrealised) | 71.76 | - |
| | 71.76 | - |
| (iii) Net gains from derecognition of financial instruments under FVTPL category | | |
| Profit on sale of Investments (net) | 0.27 | 12.85 |
| Distributed Profit from Ascent India Fund | 47.81 | 197.86 |
| | 48.08 | 210.71 |

13 OTHER INCOME

| Particulars | (₹ in lakhs) | |
|-------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
| Interest on Income Tax Refund | 0.18 | 0.32 |
| Excess Provision Written Back | 1.18 | - |
| TOTAL | 1.36 | 0.32 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
14 NET LOSS ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|--|--|--|
| Loss in fair value of investments on marked-to-market (unrealised) | - | 120.43 |
| TOTAL | - | 120.43 |

15 OTHER EXPENSES

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|--|--|
| Legal & Professional Expenses | 9.20 | 12.34 |
| Statutory Audit Fees and Limited Review Fees* | 4.13 | 4.72 |
| Rates & Taxes | 0.02 | 0.05 |
| Insurance Charges | - | 0.28 |
| Other General Expenses | 0.25 | 0.02 |
| | - | - |
| TOTAL | 13.61 | 17.41 |

* Inclusive of GST

16 COMMITMENT AND CONTINGENCIES

(₹ in lakhs)

| Particulars | As at 31st March, 2023 | As on 31st March, 2022 |
|--|---------------------------|---------------------------|
| Contingent Liabilities | | |
| Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934 up to 31st March, 2023 | 5.00 | 5.00 |

17 RELATED PARTIES
a) Names of the related parties

| | |
|--------------------------|----------------------------------|
| Holding Company | UTI Asset Management Co. Limited |
| Key Management Personnel | Mr. Imtaiyazur Rahman |
| | Mr. Rohit Gulati |
| | Mr. Surojit Saha |

b) The disclosures in respect of Related Party Transactions

(₹ in lakhs)

| Nature of Transaction | Key Management Personnel-1 | | Holding Company | |
|---|----------------------------|------------|-----------------|------------|
| | FY 2022-23 | FY 2021-22 | FY 2022-23 | FY 2021-22 |
| i) Transactions during the year | | | | |
| Remuneration | - | - | - | - |
| Dividend Paid | - | - | - | - |
| Reimbursement of expenses | - | - | - | - |
| ii) Outstanding Balances on the year end | | | | |
| Receivable | - | - | - | - |
| Borrowing | - | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in lakhs)

| Nature of Transaction | Key Management Personnel-1 | | Holding Company | |
|-----------------------|----------------------------|------------|-----------------|------------|
| | FY 2022-23 | FY 2021-22 | FY 2022-23 | FY 2021-22 |
| Investments | - | - | - | - |

(₹ in lakhs)

| Nature of Transaction | Administrator and Secretary of the subsidiary | |
|---|---|------------|
| | FY 2022-23 | FY 2021-22 |
| i) Transactions during the year | | |
| Administration, secretarial and director fees | - | - |

In addition to the above,

- (a) in connection with the management of Ascent India Fund, the Company has mutually agreed with Ascent Capital Advisors India Private Limited that the fund operation expenses till the liquidation of the fund are to be equally borne by the Company and the latter referred party. In view of this, an arrangement has been made to incur certain specific expenses of the fund directly by each of the companies. Such expenses incurred during the year has been accounted under legal and professional charges in statement of profit or loss.
- (b) The Company has purchased and redeemed the following investments in UTI Mutual Fund where the holding company is its assets manager.

(₹ in lakhs)

| Name of the Fund | Balance as at 1st April, 2022 | Amount invested | Amount redeemed | As on 31st March, 2023 |
|---|-------------------------------|-----------------|-----------------|------------------------|
| UTI Credit Risk Fund - Direct Growth Plan | 48.28 | - | - | 48 |
| UTI Money Market Fund | 418.56 | 450 | 5 | 864 |

All the amounts indicated above are at their cost and redemption value and fair value adopted for recognition as per Ind AS have not been reckoned for this purpose

No amount is/has been written off or written back during the year in respect of dues from/to related parties

The information relating to related parties has been determined to the extent such parties have been identified on the basis of information provided by the Company which has been relied upon by the Auditors.

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There were no dues outstanding to Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2023. The information regarding micro and small enterprises has been determined based on information collected by management on enquiries made with the vendors, which have been relied upon by the auditors.

(₹ in lakhs)

| | FY 2022-23 | FY 2021-22 |
|---|------------|------------|
| (a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | NA | NA |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | NA | NA |
| (c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | NA | NA |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | NA | NA |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | NA | NA |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
19

All the employees of the Company have resigned as at 31st March, 2020 and their claims in relation to retirement benefits have already been discharged by the Company. In the opinion of the management no liability towards employee benefits such as Provident Fund/ Gratuity liability is due or payable. Hence no provision thereof is made in the financial statements.

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Other provisions in note 9 refers to provision made for estimated compounding fees payable on delayed filing of forms Annual Performane Report (APR) and Overseas Direct Investments (ODI)

21

Disclosure in respect of movement of provisions made as required by Ind AS 37

(₹ in lakhs)

| Particulars | Provision for Compounding fees |
|---|-----------------------------------|
| Opening balance as at 1st April, 2021 | 6.90 |
| Less: Provision withdrawn on account of actual expenses incurred | - |
| Add: Provision made during the year | - |
| Balance as on 31st March, 2022 | 6.90 |
| Less: Provision withdrawn on account of actual expenses incurred (April 2022 to March 2023) | - |
| Add: Provision made during the period April 22 to March 23 | - |
| Closing Balance as at 31st March, 2023 | 6.90 |

22 INCOME TAXES

The major components of income tax expense for the period/year ended 31st March, 2023 and 31st March, 2022 are:

Statement of profit and loss:
Profit or loss section

(₹ in lakhs)

| | As on 31st March, 2023 | As on 31st March, 2022 |
|---|---------------------------|---------------------------|
| Current income tax: | | |
| Current income tax charge | 10.98 | 30.17 |
| Taxes of prior years | - | - |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | 15.48 | (33.40) |
| | - | - |
| Income tax expense reported in the statement of profit or loss | 26.46 | (3.24) |
| OCI section | | |
| Deferred tax related to items recognised in OCI during the year: | | |
| Net loss/(gain) on remeasurement of defined benefit plans | - | - |
| | - | - |
| Income tax charged to OCI | - | - |

Components of deferred tax expense/(income) recognised in Statement of profit and loss and Other comprehensive income:

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|--|--|
| Property, Plant and Equipment and Intangible assets | - | 0.59 |
| Fair valuation of financial instruments | 15.48 | (33.99) |
| Provision for onerous contract | - | - |
| Provision for Gratuity | - | - |
| Total | 15.48 | (33.40) |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Deferred tax assets/(liabilities) as at 31st March, 2023 is in relation to:

(₹ in lakhs)

| Particulars | As at 31st March, 2022 | Recognised in profit and loss | Recognised in other comprehensive income | Recognised directly in equity | As on 31st March, 2023 |
|---|------------------------|-------------------------------|--|-------------------------------|------------------------|
| Property, Plant and Equipment and Intangible assets | - | - | - | - | - |
| Fair valuation of financial instruments | (41.47) | (15.48) | - | - | (56.96) |
| | (41.47) | (15.48) | - | - | (56.96) |

Deferred tax assets/(liabilities) as at 31st March, 2022 is in relation to:

(₹ in lakhs)

| Particulars | As at 1st April, 2021 | Recognised in profit and loss | Recognised in other comprehensive income | Recognised directly in equity | As at 31st March, 2022 |
|---|-----------------------|-------------------------------|--|-------------------------------|------------------------|
| Property, Plant and Equipment and Intangible assets | 0.59 | (0.59) | - | - | - |
| Fair valuation of financial instruments | (75.46) | 33.99 | - | - | (41.47) |
| | (74.88) | 33.40 | - | - | (41.47) |

23 FINANCIAL RISK MANAGEMENT

The Company has an exposure to the following risks arising from financial instruments: Credit Risk, Liquidity Risk and Market Risk

A. Risk Management Framework

The Company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Financial Instruments & cash deposits: The Investments of the Company are primarily in units mutual funds promoted by Company's parent company and in venture funds managed by the Company/other company.

All the investments in mutual funds have money market instruments and corporate bonds as underlying investments. These bonds and money market instruments are subject to credit risk of the issuer and also subject to interest rate risk. These units can be redeemed at their then Net Assets Value (NAV) minus exit load, if any. These underlying investments are monitored by Asset Management Company set-up by the parent company. No specific monitoring of the underlying investments are made by the Company.

Following is the exposure of the Company towards credit risk:

(₹ in lakhs)

| Particulars | Carrying Amount 31st March, 2023 | Contractual Cash flows | |
|---|-------------------------------------|------------------------|-----------|
| | | Less than 1 year | 1-3 years |
| Investments | 1,365 | 1,365 | - |
| Cash and Cash Equivalents | 3 | 3 | - |
| Bank balance other than cash and cash equivalents | - | - | - |
| Loans | - | - | - |
| Other Financial Assets | - | - | - |
| | 1,369 | 1,369 | - |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in lakhs)

| Particulars | Carrying Amount 31st March, 2022 | Contractual Cash flows | |
|---|-------------------------------------|------------------------|-----------|
| | | Less than 1 year | 1-3 years |
| Investments | 880 | 880 | - |
| Cash and Cash Equivalents | 14 | 14 | - |
| Bank balance other than cash and cash equivalents | 369 | 369 | - |
| Loans | - | - | - |
| Other Financial Assets | - | - | - |
| | 1,369 | 1,263 | - |

C. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company does not have any material financial liabilities exposed towards liquidity risk other than trade payables to be settled within 1 year

(₹ in lakhs)

| Carrying amount of Trade payables and any other payable as at | 31st March, 2023 | 31st March, 2022 |
|---|------------------|------------------|
| Payable within 1 year | 3.48 | 3.78 |

D. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, investments and deposits with banks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial instruments being investments in mutual funds. Investments in mutual funds are subject to interest rate risk, depending on the market interest rate prevailing,, which in turn will affect the value of underlying investments in corporate bonds and money market securities. Increase in interest rate prevailing in the market will decrease market value of the underlying securities and vice versa, particularly for long duration securities. These investments are monitored by Asset Management body set-up by the Company's parent company. No specific monitoring of the underlying investments are made by the Company. Deposits with banks carry fixed interest rates.

Equity price risk

Company's financial instruments subject to equity price risk are its investments in Ascent India Fund III. Investments in Ascent India fund III are monitored by Ascent Capital Advisors India Private Limited . The Fund has invested in equity shares of early stage investment and growth companies. Values of these investments are subject to changes in values of underlying investments.

24 FAIR VALUE HIERARCHY

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy:

(₹ in lakhs)

| As at 31st March, 2023 | Carrying Amount | | | Fair Value | | |
|---|-----------------|----------------|-----------------|---------------|---------------|-------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 |
| Financial Assets: | | | | | | |
| Investments | 1,365.45 | - | 1,365.45 | 948.63 | 416.82 | - |
| Loans | - | - | - | - | - | - |
| Cash and cash equivalents | - | 3.09 | 3.09 | - | - | 3.09 |
| Bank balance other than cash and cash equivalents | - | - | - | - | - | - |
| Other financial assets | - | - | - | - | - | - |
| Total | 1,365.45 | 3.09 | 1,368.55 | 948.63 | 416.82 | 3.09 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in lakhs)

| As at 31st March, 2023 | Carrying Amount | | | Fair Value | | |
|------------------------------|-----------------|----------------|-------------|------------|----------|-------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | 3.48 | 3.48 | - | - | 3.48 |
| Other financial liabilities | - | 0.05 | 0.05 | - | - | 0.05 |
| Total | - | 3.53 | 3.53 | - | - | 3.53 |

(₹ in lakhs)

| As at 31st March, 2022 | Carrying Amount | | | Fair Value | | |
|---|-----------------|----------------|-----------------|---------------|---------------|---------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 |
| Financial Assets: | | | | | | |
| Investments | 879.89 | - | 879.89 | 466.83 | 413.05 | - |
| Loans | - | - | - | - | - | - |
| Cash and cash equivalents | - | 14.09 | 14.09 | - | - | 14.09 |
| Bank balance other than cash and cash equivalents | - | 368.64 | 368.64 | - | - | 368.64 |
| Other financial assets | - | - | - | - | - | - |
| Total | 879.89 | 382.73 | 1,262.62 | 466.83 | 413.05 | 382.73 |
| Financial Liabilities | | | | | | |
| Trade Payables | - | 3.78 | 3.78 | - | - | 3.78 |
| Other financial liabilities | - | - | - | - | - | - |
| Total | - | 3.78 | 3.78 | - | - | 3.78 |

25 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company is predominantly Equity financed and hence does not monitor capital by any techniques.

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The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. The coronavirus outbreak is a new emerging risk to the global economy. The Company's business may be impacted by falling revenues as a result of decreases in the NAVs of the underlying funds on which the management fees for the Company are calculated. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in India. These actions help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely. The directors consider that the Company have adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements

27 PAYABLE AGEING SCHEDULE

(₹ in lakhs)

| Payable | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | - | - | - | - | - |
| Others | 3.48 | - | - | - | 3.48 |
| Disputed Dues - MSME | - | - | - | - | - |
| Disputed Dues - Others | - | - | - | - | - |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
28 EARNINGS PER SHARE

Earnings per share (EPS) are computed in accordance with IND AS 33

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|--|--|--|
| Profit after tax | 85.05 | 88.75 |
| Weighted average number of equity shares used as denominator for calculating EPS | 45.50 | 45.50 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Basic EPS (₹) | 1.87 | 1.95 |
| Diluted EPS (₹) | 1.87 | 1.95 |

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Previous period's/year's figures have been regrouped / reclassified wherever necessary, to confirm to current period's/year's classification.

As per our report of even date attached
For **CHHAJED & DOSHI**
Chartered Accountants
FRN: 101794W

CA Kiran K Daftary

Partner
MRN: 010279

Date: 13th April, 2023
Place: Mumbai

UTI Venture Funds Management Company Private Limited

Imtaiyazur Rahman

Director
DIN : 01818725

Date: 13th April, 2023
Place: Mumbai

Surojit Saha

Whole Time Director
DIN: 06584521

UTI INTERNATIONAL LIMITED

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**MANAGEMENT AND ADMINISTRATION**

| | |
|------------------------------------|--|
| Directors | Mr. Praveen Jagwani (CEO & Executive Director) Mr. Imtaiyazur Rahman (Non-Executive Director) (upto 17th October, 2022) Mr. Christopher M W Hill (Non-Executive Director) Mr. D K Mehrotra (Non-Executive Director) (from 18th October, 2022) |
| Registered Office | Kingsway House, Havilland Street, St. Peter Port, Guernsey, Channel Islands. |
| Branches | UK Branch UTI International Limited 120 New Cavendish Street, London W1W 6XX, Tel: 020 3371 0303. |
| Subsidiaries | UTI Investment Management Company (Mauritius) Limited 3rd Floor, 355 NEX, Rue du Savoir Cybercity, Ebene 72201, Mauritius. UTI International (Singapore) Private Limited 3, Raffles Place # 08-02 Bharat Building, Singapore – 048617 UTI International (France) SAS. 22 Bis Rue Lafitte Paris, FR France – 75009 |
| Administrator and Secretary | Cannon Asset Management Limited Kingsway House, Havilland Street, St. Peter Port, Guernsey, Channel Islands. |
| Independent Auditor | KPMG Channel Islands Limited, Gategny Court, Gategny Esplanade, St Peter Port, |

DIRECTORS' REPORT

The Directors present their report and the audited Consolidated Financial Statements for the year ended 31st March, 2023.

PRINCIPAL ACTIVITIES

UTI International Limited (the 'Company', the 'Group' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has three wholly owned subsidiaries – UTI Investment Management Company (Mauritius) Limited ('UTI Mauritius') in Mauritius, UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore and UTI International (France) SAS ('UTI France') in France. The Company, UTI Mauritius, UTI France and UTI Singapore collectively form the UTI International Group (the 'Group').

The principal activities of the Group are the management and marketing of the Mauritius, Cayman and Ireland domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC and its subsidiaries, marketing of the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Manager / Advisor to those entities investing in India through the Foreign Portfolio Investor ('FPI') route / regime. UTI Mauritius acts as an investment manager to Shinsei UTI India Fund (Mauritius) Limited ('Shinsei Fund'), The UTI Rainbow Fund Limited ('Rainbow Fund'), and UTI Wealth Creator Fund (1 to 6). UTI Singapore acts as investment manager to UTI Spectrum Fund Limited ('Spectrum Fund'), South African Rand Money Market Fund, UTI Indian Fixed Income Fund Plc, UTI Phoenix Fund SPC, UTI Chronos Fund SPC, The India Debt Opportunities Fund Limited, UTI India Dynamic Equity Fund, UTI India Balanced Fund, Indian Credit Opportunities Fund Pte. Limited, UTI India Sovereign Bond UCITS ETF, AMNS Luxembourg, UTI India Strategic Opportunities Fund VCC and UTI India Strategic Opportunities Fund II VCC and UTI India Innovation Fund acts as sub-manager to Emirates Islamic India Equity Fund, KB India Growth Fund and JSS Responsible India Equity Fund.

GOING CONCERN

The Directors have made an assessment of going concern for the period to 31st March, 2023. They consider that the Company and the Group have adequate financial resources which includes Cash and Cash equivalents of GBP 11,161,301 and Financial assets at fair value through P/L (Investments in Liquid Funds) of GBP 43,722,401 after meeting the operational expenses of the group of GBP 6,430,817 and having sufficient funds to meet the current liabilities of the group of GBP 4,239,455 to continue in operational existence for the period to 30th June, 2024 and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements. Refer to note 2.1.1 for detailed disclosure on going concern.

RESULTS AND DIVIDEND

The Group's results for the period are set out in the consolidated statement of comprehensive income. The result of UTI International Group shows a Loss of GBP 3,291,807 (2022: Profit of GBP 7,515,534). No dividend has been declared in current year (2022: GBP Nil).

DIRECTORS

The Company's Directors who served during the period and to the date of this report are listed on page 101.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Financial Statements in accordance with applicable Guernsey law and International Financial Reporting Standards (IFRS). Guernsey Company Law requires the Directors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the comprehensive income of the Company for that period. In preparing these Consolidated Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company, or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with The Companies (Guernsey) Law, 2008 and the Protection of Investors (Bailiwick of Guernsey) Law, 2020. Furthermore, the Directors are responsible for ensuring under Rule 2.1 of The Licensees (Capital Adequacy) Rules and Guidance, 2021 that the Company has sufficient gross capital to meet its commitments and to withstand the risks to which its business is subject.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as each of the Directors is aware, there is no relevant information of which the Company's auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant information and to establish that the Company's auditor is aware of that information.

On 13th July, 2022, Ernst & Young LLP resigned as auditor. KPMG Channel Islands Limited were appointed by the Directors as independent auditors on 21st July, 2022.

Director

Date : 21st April, 2023

INDEPENDENT AUDITOR'S REPORT

We have audited the consolidated financial statements of UTI International Limited (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of comprehensive income as at 31st March, 2023, the consolidated statements of financial position, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the financial position of the Group as at 31st March, 2023, and of the Group's financial performance and cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards; and
- comply with the Companies (Guernsey) Law, 2008.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company and Group in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The directors have prepared the consolidated financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the consolidated financial statements (the "going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group and the Company's financial resources or ability to continue operations over the going concern period.

OUR CONCLUSIONS BASED ON THIS WORK:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may

cast significant doubt on the Group and the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and the Company will continue in operation.

FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the consolidated financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Group's regulatory and

INDEPENDENT AUDITOR'S REPORT (Contd.)

legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Group is subject to laws and regulations that directly affect the consolidated financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the consolidated financial statements, for instance through the imposition of fines or litigation or impacts on the Group and the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the consolidated financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the consolidated financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

WE HAVE NOTHING TO REPORT ON OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

RESPECTIVE RESPONSIBILITIES

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the consolidated financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF THIS REPORT AND RESTRICTIONS ON ITS USE BY PERSONS OTHER THAN THE COMPANY'S MEMBERS, AS A BODY

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Channel Islands Limited
Chartered Accountants
Guernsey
21st April, 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2023

| Particulars | Note No. | 31st March, 2023 | 31st March, 2022 |
|--|----------|--------------------|--------------------|
| | | GBP | GBP |
| Revenue | | | |
| Revenue from operations | 4 | 1,33,38,084 | 1,24,44,564 |
| Other income | 4 | 24,20,577 | 15,30,248 |
| Operating revenue | | 1,57,58,661 | 1,39,74,812 |
| Fair value gains on financial assets at fair value through profit or loss | 8 | (62,94,941) | 39,80,382 |
| Net gains on sale of financial assets at fair value through profit or loss | 8 | - | 3,65,971 |
| Net income | | 94,63,720 | 1,83,21,165 |
| Expenses | | | |
| Advisory, Management and Trailer fees | 5 | 60,97,036 | 57,20,256 |
| Other expenses | 6 | 64,30,817 | 48,48,250 |
| Total expenses | | 1,25,27,853 | 1,05,68,506 |
| (Loss)/Profit before tax | | (30,64,133) | 77,52,659 |
| Income tax expense | 7 | (2,27,674) | (2,37,125) |
| (Loss)/Profit for the period | | (32,91,807) | 75,15,534 |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods | | | |
| Exchange differences on translation of foreign operations | | 10,03,273 | 5,64,351 |
| Total other comprehensive income | | 10,03,273 | 5,64,351 |
| Total Comprehensive income for the period (attributable to equity holders of the parent) | | (22,88,534) | 80,79,885 |
| The above results are all in respect of continuing operations of the Company | | | |
| The notes on pages 110 to 127 are integral part of these financial statements. | | | |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH, 2023

| Particulars | Note No. | 31st March, 2023 | 31st March, 2022 |
|---|----------|--------------------|--------------------|
| | | GBP | GBP |
| ASSETS | | | |
| Non - current assets | | | |
| Property, plant and equipment | 9 | 23,850 | 21,730 |
| Right of use asset | 10 | 66,312 | 1,03,202 |
| Financial assets at fair value through profit or loss | 8 | 4,37,22,401 | 3,37,14,818 |
| Deferred tax asset | 7 | 1,02,134 | 88,954 |
| | | 4,39,14,697 | 3,39,28,704 |
| Current Assets | | | |
| Trade and other receivables | 11 | 39,58,765 | 38,73,278 |
| Other current financial assets | 12 | 3,41,870 | 2,22,894 |
| Cash and cash equivalents | 13 | 1,11,61,301 | 2,32,17,495 |
| | | 1,54,61,936 | 2,73,13,667 |
| TOTAL ASSETS | | 5,93,76,633 | 6,12,42,371 |
| EQUITY & LIABILITIES | | | |
| Equity | | | |
| Issued capital | 14 | 67,58,062 | 67,58,062 |
| Share premium | | 1,03,91,285 | 1,03,91,285 |
| Retained earnings | | 3,55,16,021 | 3,88,07,828 |
| Foreign currency translation reserve | | 21,80,621 | 11,77,349 |
| Share based payments reserve | | 2,91,189 | 1,91,732 |
| | | 5,51,37,178 | 5,73,26,256 |
| Non Current Liabilities | | | |
| Lease Liabilities | 17 | - | 47,648 |
| | | - | 47,648 |
| Current Liabilities | | | |
| Trade and other payables | 15 | 21,38,102 | 22,89,186 |
| Other current liabilities | 16 | 20,34,152 | 15,23,754 |
| Lease Liabilities | 17 | 67,201 | 55,527 |
| | | 42,39,455 | 38,68,467 |
| TOTAL EQUITY & LIABILITIES | | 5,93,76,633 | 6,12,42,371 |

The financial statements on pages 106 to 127 were approved and authorised for issue to the shareholders by the Board of Directors of UTI International Limited on 21st April, 2023 and signed on the Board's behalf by Praveen Jagwani

The notes on pages 110 to 127 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

| Particulars | 31st March, 2023 | 31st March, 2022 |
|---|--------------------|--------------------|
| | GBP | GBP |
| Share Capital | | |
| As at 1 April | 67,58,062 | 67,58,062 |
| As at 31 March | 67,58,062 | 67,58,062 |
| Share Premium | | |
| As at 1 April | 1,03,91,285 | 1,03,91,285 |
| As at 31 March | 1,03,91,285 | 1,03,91,285 |
| Retained Earning | | |
| As at 1 April | 3,88,07,828 | 3,12,92,294 |
| Profit/(Loss) for the year | (32,91,807) | 75,15,534 |
| As at 31 March | 3,55,16,021 | 3,88,07,828 |
| Translation Reserve on consolidation of subsidiaries | | |
| As at 1 April | 11,77,349 | 6,12,998 |
| Movement during the year | 10,03,272 | 5,64,351 |
| As at 31 March | 21,80,621 | 11,77,349 |
| Share based payments reserve | | |
| As at 1 April | 1,91,732 | 1,10,746 |
| Movement during the year | 99,457 | 80,986 |
| As at 31 March | 2,91,189 | 1,91,732 |
| TOTAL EQUITY | 5,51,37,178 | 5,73,26,256 |



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2023

| Particulars | 31st March, 2023 | 31st March, 2022 |
|---|----------------------|--------------------|
| | GBP | GBP |
| Cash Flow from Operating Activities | | |
| Profit/(Loss) before tax | (30,64,133) | 77,52,659 |
| Adjustment for: | | |
| Interest on Rights of use Assets | 3,831 | 3,023 |
| Depreciation | 1,48,087 | 1,76,392 |
| Fair value gain/(loss) on Investments | 62,94,941 | (39,80,382) |
| Net Gain on sale of Investment | - | (3,65,971) |
| Interest income | (12,190) | (24,200) |
| Share Options Expenses Charge to Profit and Loss | 1,61,206 | 74,002 |
| Unrealised foreign exchange (gain)/loss | (5,29,508) | (2,27,860) |
| Operating Profit Before Working Capital Changes | 30,02,234 | 34,07,663 |
| Adjustment for changes in working capital: | | |
| (Increase)/Decrease in other current financial assets | (1,18,976) | 1,151 |
| Increase in trade and other receivables | (85,487) | (13,68,204) |
| (Decrease)/Increase in trade & other payables | (1,51,084) | 11,62,338 |
| Increase in other current financial liabilities | 5,10,398 | 1,45,148 |
| | 1,54,851 | (59,567) |
| Cash generated from Operations | 31,57,085 | 33,48,096 |
| Less : Income tax paid | (2,40,854) | (2,24,155) |
| Net cash generated from operating activities | 29,16,231 | 31,23,941 |
| Cash flow from Investing Activities | | |
| Purchase of property, plant & equipment | (17,305) | (14,898) |
| Sale of Investment | - | 37,80,525 |
| Purchase of Investment | (1,57,73,016) | (15,42,026) |
| Interest income | 12,190 | 24,200 |
| Net cash (used in)/generated from investing activities | (1,57,78,131) | 22,47,801 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Payment of principle portion of Lease Liability | (1,35,817) | (1,69,056) |
| Net cash used in financing activities | (1,35,817) | (1,69,056) |
| (Decrease)/Increase in cash and cash equivalent | (1,29,97,717) | 52,02,686 |
| Effect of foreign exchange fluctuations | 9,41,523 | 5,71,336 |
| Opening cash and cash equivalents | 2,32,17,495 | 1,74,43,473 |
| Closing cash and cash equivalents | 1,11,61,301 | 2,32,17,495 |

The notes on pages 110 to 127 are integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023

1. CORPORATE INFORMATION

UTI International Limited (the 'Company' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has three wholly owned subsidiaries UTI Investment Management Company (Mauritius) Limited ('UTI Mauritius') in Mauritius, UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore and UTI International (France) SAS in Paris. The Company, UTI Mauritius, UTI Singapore and UTI France collectively form the UTI International Group (the 'Group').

The Group is principally engaged in administration and marketing of the Mauritius domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC, marketing of the offshore funds and the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Advisor to those entities investing in India through the Foreign Portfolio Investor ('FPI') route / regime.

The Company is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the "POI Law") to carry on the restricted activity of promotion in connection with Collective Investment Schemes and the restricted activity of promotion in connection with General Securities and Derivatives.

The Company's registered office has been disclosed on page 101.

2. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of accounting

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) (IFRS). The consolidated financial statements have been prepared on a historical cost basis, except for non-current financial assets which have been measured at fair value. The consolidated financial statements are presented in British Pounds (GBP) and no rounding of the amounts has been made, except when otherwise indicated.

2.1.1 Going concern

The Directors have made an assessment of the Company and Group's ability to continue as a going concern, and are satisfied that the Group has the resources to continue in business for the period to 30th June, 2024. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt on the Company and Group's ability to continue as a going concern. In their assessment of the going concern of the Company and the Group, the Directors have considered the Company's principal risks

and uncertainties together with the Company's income and expenditure projections. The Directors also noted the significant cash balance and relatively liquid nature of the Company's Investment portfolio which could be utilised to meet funding requirements, if necessary. As part of its strategic planning, the Board considered financial scenarios of the period to 30th June, 2024.

Having performed this analysis management believes regulatory capital requirements continue to be met and that the group has sufficient liquidity to meet its liabilities for period to 30th June, 2024 and that the preparation of the financial statements on a going concern basis remains appropriate as the Group and Company expects to be able to meet their obligations as and when they fall due for the period to 30th June, 2024.

2.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of UTI International Limited and its subsidiaries for the year ended 31st March, 2023 and 31st March, 2022.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The consolidated financial statements include the financial statements of UTI International Limited ("the Parent Company") and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. Control refers to power over relevant activities of the investee, exposure, or rights, to variable returns from the Company's involvement with the investee and the ability to use its power over the investee to affect the amount of the Company's returns.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

Where the Company holds management shares in underlying offshore funds The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited ('Pharma Fund'), UTI Rainbow Fund Limited ('Rainbow Fund'), Shinsei UTI India Fund (Mauritius) Limited ('Shinsei Fund'), Wealth Creator Funds 1 to 6 ('Wealth Creator Funds'), UTI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Spectrum Fund Limited and The India Debt Opportunities Fund Limited. It has the power over relevant activities of the investee entities but does not have exposure or rights to variable returns from these entities, as such these entities are not consolidated in these Consolidated Financial Statements as per IFRS 10.

2.3. Summary of Significant Accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

2.3.1. Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.2 Revenue recognition

The Company provides investment management services to the funds in consideration for investment management fees. Revenue is recognised when the service is delivered to the customer at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for the service. The major revenue i.e. investment management fees which the Company is entitled to, are calculated based on predetermined percentages with reference to the Asset Under Management of the respective funds. As a result, investment management fee represents variable consideration and is recognised once it is highly probable that it will not be subject to significant reversal

and is allocated to the distinct service periods. Management fees are recognised over time in the period in which the services are rendered as the customer simultaneously receives and consumes the benefits provided by the Company. Interest is recognised using the effective interest rate method.

2.3.3. Foreign currencies

Functional and presentation currency

The Group's consolidated financial statements are presented in British Pound, which is also the parent company's functional currency. For each entity, the Group determines the functional currency based on primary economic environment in which the entity operates. Accordingly, the most faithful currency that represents the economic effects of the underlying transactions, events and conditions is used for preparing the financial statements. On consolidation, the assets and liabilities of foreign operations are translated into British Pounds at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising on translation are recognised as other comprehensive income ("OCI") in the Consolidated Statement of Comprehensive Income.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company and its subsidiaries at its functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in statement of comprehensive income, any exchange component of that gain or loss shall be recognised in statement of comprehensive income.

2.3.4. Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and the carrying amounts for financial reporting purposes at the reporting date. The principal temporary difference arises from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be offset.

2.3.5. Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

Depreciation on tangible assets is calculated at 25% to 33% in respect of computers, fixtures and fittings and office equipment on a straight-line basis so as to write off the cost of fixed assets over their anticipated useful lives.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure the amounts, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on derecognition of the asset is included in statement of comprehensive income in the financial year the asset is derecognised.

2.3.6 Leases

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the prevailing prime rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a

change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are of low value. Lease payments on short term leases and leases of low value assets are recognised as expense in the statement of comprehensive income.

2.3.7 Financial Instruments

(i) Financial assets

Initial recognition and measurement:

Financial assets are classified, at initial recognition at fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a debt instrument to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include investment in redeemable shares, cash at banks, trade receivables and other current financial assets.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Company includes in this category trade receivables, other current financial assets (excluding prepayments) and cash at bank. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to expected credit loss. Interest is recognised using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The losses arising from expected credit loss are recognised in the profit or loss.

Financial assets at fair value through profit and loss (equity instruments)

The Company includes in this category investments made in funds. IFRS 9 requires all equity instruments to be carried at fair value through profit & loss, unless an entity chooses on initial recognition, to present fair value changes in other comprehensive income. Measuring investments at cost should only be applied when it is considered to be the best estimation of fair value.

Financial assets at fair value through profit or loss

A financial asset meeting the definition of debt instrument is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding or;
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell or;
- (c) At initial recognition, it is irrevocably measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company includes in this category debt instruments that comprise of investments in redeemable shares at the option of the holder that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are

recorded in net gain or loss on financial assets at fair value through profit or loss in the consolidated statement of comprehensive income. Dividends earned or paid on these instruments are recorded separately in dividend revenue or expense in the consolidated statement of comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Company's statement of financial position) when the rights to receive cash flows from the asset have expired or when the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

Impairment of financial assets

For trade receivables, the Company applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company determined based on historical experience and expectations that the ECL on its trade receivable is insignificant and was not recorded.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. ECL as on 31st March, 2023 is not material.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. Financial liabilities at amortised cost are recognised initially at fair value net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and other current liabilities which are classified as financial liabilities at amortised cost and are initially recognised at fair value net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, the financial liabilities other than those classified at fair value through profit or loss are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is recognised in statement of comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

2.3.8. Cash and cash equivalents

Cash in the consolidated statement of financial position mainly comprise of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.3.9. Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources, embodying economic benefits, will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. There is no legal or constructive obligation by or against the Company for which any provision needs to be created.

2.3.10. Employee benefits

Defined contributions plans

The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed.

Share based payments

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the holding company UTI Asset Management Company Limited to its eligible employees of the subsidiary company that are measured at fair value of the equity instruments at the grant date. The period of vesting and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

period of exercise are as specified within the respective schemes. The fair value of the warrants is measured using the Black-Scholes valuation method or other generally accepted valuation techniques. The calculation takes into account the terms and conditions under which the ESOP's are granted. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. Subsequent fair value adjustments are not recognised in the statement of comprehensive income.

2.3.11. Expenses

All expenses are accounted for in statement of comprehensive income on the accrual basis.

2.3.12 Government Grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which

it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Management has assessed that there are no significant accounting judgements, estimates and assumptions applied in preparing the consolidated financial statements. Fair Valuation of Investments has been classified under Level 1 as discussed in Note 19, page 122 Fair value Measurement therefore no significant estimates are applied.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

4. REVENUE

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--------------------------------------|--------------------|--------------------|
| | GBP | GBP |
| Management fees | 1,32,80,355 | 1,23,82,638 |
| Investor service fees | 57,729 | 61,926 |
| Total revenue from operations | 1,33,38,084 | 1,24,44,564 |
| Bank Interest | 12,190 | 24,200 |
| Foreign exchange gain | 10,70,518 | 4,58,727 |
| Business support service fees | 10,03,479 | 7,79,068 |
| Other income | 3,34,390 | 2,68,253 |
| Total other income | 24,20,577 | 15,30,248 |

5. ADVISORY, MANAGEMENT AND TRAILER FEES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| | GBP | GBP |
| Expenses relating to offshore funds: | | |
| Investment advisory fees | 5,68,392 | 5,12,998 |
| Management and Trailer fees | 55,28,644 | 52,07,258 |
| Total Advisory, Management and Trailer fees | 60,97,036 | 57,20,256 |

6. OTHER EXPENSES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| | GBP | GBP |
| Salaries and wages | 36,24,126 | 29,18,155 |
| Contribution to provident and other funds | 1,40,557 | 1,81,874 |
| Gratuity expense | 40,138 | (70,202) |
| Staff related expenses | 3,96,083 | 2,19,918 |
| Total Staff Cost | 42,00,904 | 32,49,745 |
| Recruitment Expenses | 83,958 | - |
| Office administration and secretarial expenses | 5,34,582 | 4,97,661 |
| Legal and professional fees | 4,78,988 | 3,18,253 |
| Travel expenses | 1,76,457 | 76,961 |
| Office rental costs | 1,13,850 | 58,222 |
| Audit fees | 2,06,429 | 1,23,528 |
| Sales promotion | 1,89,271 | 1,45,575 |
| Insurance | 1,35,991 | 1,14,920 |
| Directors' fees | 72,099 | 47,915 |
| Telephone expenses | 43,939 | 36,055 |
| Depreciation | 15,185 | 13,066 |
| Depreciation charge for right of use asset | 1,32,902 | 1,63,326 |
| Interest on lease liability | 3,831 | 3,023 |
| License Fee | 34,947 | - |
| Investment Committee Fee | 7,484 | - |
| Total other expenses | 64,30,817 | 48,48,250 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

7. TAXATION

UTI International Limited is taxed at the Guernsey company standard rate of 0%. There is no Guernsey tax liability in respect of the Company for the year ended 31st March, 2023. As estimated by the management, there is no UK Tax liability in respect of London Branch.

UTI Mauritius being the holder of a category 1 global business license is classified as a tax incentive Company and under the current laws and regulations is liable to pay Income Tax on its profits, as adjusted for tax purposes, at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered and 80% of Mauritian tax payable in respect of foreign source income. The capital gains of UTI Mauritius are exempt from tax in Mauritius. The foregoing is based on current interpretation and practice and is subject to any future changes in Indian or Mauritian tax laws and in the treaty between India and Mauritius. During the year ended 31st March, 2023 and 31st March, 2022 UTI Mauritius has a tax expense of GBP 29,650 and GBP 34,053 respectively.

UTI Singapore was granted the Financial Sector Incentive Award (Fund Management or Investment Advisory Services) ("FSI"), effective from 29th April, 2021 to 28th April, 2026. Under the FSI, the Company is entitled to a concessionary rate of tax of 10% on qualifying transactions under the provision of Concessionary Rate of Tax for Financial Sector Incentive Companies in section 43Q of the Income Tax Act 1947.

Further UTI Singapore has unabsorbed tax losses and capital allowances that are available for offset against future taxable profits, for which taxable profits are expected in the foreseeable future hence deferred tax is recognised. UTI Singapore has a tax expense and deferred tax asset of GBP 198,024 and GBP 102,134 respectively for the period ended 31st March, 2023 and GBP 203,072 and GBP 88,954 for the period ended 31st March, 2022 respectively.

For UTI International Limited – UK Branch there is no tax expense for both the periods.

The components of the income tax expense for the year ended 31st March, 2023 and 31st March, 2022 are as follows:

| | 31st March, 2023 | 31st March, 2022 |
|---|-------------------------|-------------------------|
| | GBP | GBP |
| Tax expense attributable to profit is made up of: | | |
| - Current income tax | 2,59,161 | 2,28,873 |
| - Over provision in respect of previous year | (25,472) | (8,460) |
| - Deferred tax on temporary differences | (6,015) | 16,712 |
| - Tax credit | - | - |
| Income Tax Expense | 2,27,674 | 2,37,125 |

Deferred tax asset movement for the year ended 31st March, 2023 and 31st March, 2022 are as follows:

| | 31st March, 2023 | 31st March, 2022 |
|--|-------------------------|-------------------------|
| | GBP | GBP |
| Opening Deferred Tax Asset | 88,954 | 1,01,924 |
| - Current year's Impact | (6,015) | 16,711 |
| - Other (Foreign exchange adjustment) | 19,195 | (29,681) |
| Total Deferred Tax Asset | 1,02,134 | 88,954 |

The tax charge shown in the consolidated statement of comprehensive income differs from the tax charge that would apply if all profits had been charged at the blended rates taking into consideration the UK, Mauritius and Singapore corporate rates. A reconciliation between the tax expense and the accounting profit multiplied by the blended tax rate for the years ended 31st March, 2023 and 31st March, 2022 is as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

| Particulars | 31st March, 2023 | 31st March, 2022 |
|---|--------------------|------------------|
| | GBP | GBP |
| Profit/(Loss) before tax as per Financial Statement | (3,064,133) | 7,752,659 |
| Adjust for: | | |
| Taxable at 0% in Guernsey | (4,618,471) | (4,180,822) |
| Deductible at 0% in Guernse | 70,058 | 747,836 |
| Profit before tax attributable to tax in various jurisdictions | (7,612,546) | 4,319,673 |
| Tax expense/(credit) as per FS | 79,128 | - |
| Tax at blended rate of (March 2023: NIL %)* (2022:10.39%) | 147,205 | 448,768 |
| Effect of: | | |
| Expenses not deductible for tax purpose | 471,871 | 167,892 |
| Income not subject to taxation | (329,594) | (345,162) |
| Tax effect of qualifying income which is taxed at concessionary rate of 10% | (18,385) | - |
| Effect of partial tax exemption, tax relief & tax rebate | (10,537) | (40,210) |
| Benefits of previously unrecognised tax losses and capital allowances | (1,399) | (2,432) |
| Over provision in respect of previous years | (25,472) | (8,460) |
| Deferred tax on temporary differences | (6,015) | 16,711 |
| Others | (0) | 18 |
| Income tax expense | 227,674 | 237,125 |

* The Consolidated income is negative hence the blended rate is not applicable for the year ended 31st March, 2023

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investment in management shares is stated at cost as a best estimate of fair value.

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|--------------------|--------------------|
| | GBP | GBP |
| Investment in management shares | | |
| Shinsei UTI India Fund (Mauritius) Limited | 432 | 432 |
| The India Pharma Fund Limited | 62 | 62 |
| The India Debt Opportunities Fund Limited | 58 | 58 |
| UTI Rainbow Fund Limited | 68 | 68 |
| India Fund Limited | 2 | 2 |
| Wealth Creator 1 100 shares of US\$1.00 | 70 | 70 |
| Wealth Creator 2 100 shares of US\$1.00 | 70 | 70 |
| Wealth Creator 3 100 shares of US\$1.00 | 70 | 70 |
| Wealth Creator 4 100 shares of US\$1.00 | 70 | 70 |
| Wealth Creator 5 100 shares of US\$1.00 | 70 | 70 |
| Wealth Creator 6 100 shares of US\$1.00 | 70 | 70 |
| UTI Spectrum Fund 100 shares of US\$1.00 | 70 | 70 |
| Investment in quoted securities | | |
| UTI India Dynamic Equity Fund | | |
| Balance as at April 1 | 2,97,75,214 | 2,90,72,463 |
| Sale during the period | - | (37,80,525) |
| Profit on Sale of Investments | - | 3,65,971 |
| Fair value adjustments * | (37,36,170) | 41,17,305 |
| Balance as at March 31 | 2,60,39,044 | 2,97,75,214 |
| UTI India Balanced Fund | | |
| Balance as at April 1 | 39,38,492 | 23,05,529 |
| Purchase during the period | - | 15,42,026 |
| Fair value adjustments * | (2,15,263) | 90,937 |
| Balance as at March 31 | 37,23,229 | 39,38,492 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|--------------------|--------------------|
| | GBP | GBP |
| UTI INDIA INNOVATION FUND | | |
| Balance as at April 1 | - | - |
| Purchase during the period | 1,36,40,478 | - |
| Fair value adjustments * | (17,96,627) | - |
| Balance as at March 31 | 1,18,43,851 | - |
| UTI Sovereign Bond UCITS ETF Fund | | |
| Balance as at April 1 | - | - |
| Purchase during the period | 21,32,538 | - |
| Fair value adjustments * | (17,373) | - |
| Balance as at March 31 | 21,15,165 | - |
| Total financial assets at fair value through profit or loss | 4,37,22,401 | 3,37,14,818 |

* Fair value adjustments also includes foreign exchange adjustments.

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|--------------------|------------------|
| | GBP | GBP |
| Fair value gains/(losses) on financial asset at fair value through profit or loss | | |
| UTI International Limited | (47,47,917) | 37,13,837 |
| UTI International (Singapore) Limited | (12,28,518) | 1,13,267 |
| UTI Investment Management Company Mauritius Limited | (3,18,553) | 1,53,278 |
| UTI International France (SAS) | 47 | - |
| Total fair value gains/(losses) on financial asset at fair value through profit or loss | (62,94,941) | 39,80,382 |

9. PROPERTY, PLANT AND EQUIPMENT

| | Fixtures and Fittings | Office Equipment | Computer | Total |
|---------------------------------------|-----------------------|------------------|-----------------|-----------------|
| | GBP | GBP | GBP | GBP |
| Cost | | | | |
| At 1 April 2022 | 88,230 | 19,749 | 1,69,090 | 2,77,069 |
| Acquired during the year | 452 | - | 15,378 | 15,830 |
| Forex Translation | 5,889 | 1,541 | 10,465 | 17,895 |
| At 31 March 2023 | 94,571 | 21,290 | 1,94,933 | 3,10,794 |
| Depreciation | | | | |
| At 1 April 2022 | 84,463 | 18,996 | 1,51,880 | 2,55,339 |
| Charge for the year | 2,394 | 237 | 12,554 | 15,185 |
| Forex Translation | 5,690 | 1,567 | 9,163 | 16,420 |
| At 31 March 2023 | 92,547 | 20,800 | 1,73,597 | 2,86,944 |
| Net Book Value – 31 March 2023 | 2,024 | 490 | 21,336 | 23,850 |
| Net Book Value – 31 March 2022 | 3,767 | 753 | 17,210 | 21,730 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

10. RIGHT OF USE ASSET

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--------------------------------------|------------------|------------------|
| | GBP | GBP |
| Cost | | |
| At 1 April | 4,59,670 | 3,41,680 |
| Acquired during the year | 96,451 | 1,12,276 |
| Translation reserve | - | 5,714 |
| As at 31 March | 5,56,121 | 4,59,670 |
| Depreciation | | |
| At 1 April | 3,56,468 | 1,87,788 |
| Charge for the year | 1,32,902 | 1,63,326 |
| Translation reserve | 439 | 5,354 |
| As at 31 March | 4,89,809 | 3,56,468 |
| Net Book Value as at 31 March | 66,312 | 1,03,202 |

11. TRADE AND OTHER RECEIVABLES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| | GBP | GBP |
| Management fee receivable | 5,92,556 | 4,91,481 |
| Other receivables | 1,54,783 | 1,75,674 |
| Receivable due from Holding Company | 6,75,881 | 2,23,288 |
| Receivable from funds | 25,35,545 | 29,82,835 |
| Total trade and other receivables | 39,58,765 | 38,73,278 |

The amounts due from holding company (related party) are not secured, interest free and are repayable on demand.

12. OTHER CURRENT FINANCIAL ASSETS

| Particulars | 31st March, 2023 | 31st March, 2022 |
|---|------------------|------------------|
| | GBP | GBP |
| Prepayments | 2,88,429 | 1,73,755 |
| Deposits | 53,441 | 47,958 |
| Interest accrued | - | 1,181 |
| Total other current financial assets | 3,41,870 | 2,22,894 |

13. CASH AND CASH EQUIVALENTS

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|--------------------|--------------------|
| | GBP | GBP |
| Cash at banks and on hand | 1,11,61,301 | 1,53,18,196 |
| Short term deposits | - | 78,99,299 |
| Total Cash and cash equivalents | 1,11,61,301 | 2,32,17,495 |

14. ISSUED CAPITAL

| Particulars | 31st March, 2023 | 31st March, 2022 |
|---|------------------|------------------|
| | GBP | GBP |
| Allotted, called and fully paid : | | |
| 6,758,062 ordinary shares of GBP 1 each | 67,58,062 | 67,58,062 |
| No. of shares at the beginning of the period | 67,58,062 | 67,58,062 |
| Add: Shares issued during the period/ year | - | - |
| Less: Shares redeemed during the period/ year | - | - |
| No. of shares at the end of the period | 67,58,062 | 67,58,062 |

*The Company has only one class of equity shares having a par value of GBP 1 per share. Each holder of equity shares is entitled to one vote per share.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
15. TRADE AND OTHER PAYABLES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|-----------------------------------|------------------|------------------|
| | GBP | GBP |
| Management & advisory fee payable | 1,34,923 | 5,18,991 |
| Other accruals | 17,48,487 | 14,35,075 |
| Payable to holding company. | 2,54,692 | 3,35,120 |
| Total | 21,38,102 | 22,89,186 |

The amounts due to related party are not secured, interest free and are repayable on demand.

16. OTHER CURRENT LIABILITIES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| | GBP | GBP |
| Tax liability | 2,83,890 | 2,13,639 |
| Audit fees payable | 1,98,355 | 95,361 |
| Payroll accruals | 14,59,708 | 11,59,913 |
| Accruals for expenses | 92,199 | 54,841 |
| Total other current liabilities | 20,34,152 | 15,23,754 |

17. LEASE LIABILITIES

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--------------------------------|------------------|------------------|
| | GBP | GBP |
| Current | 67,201 | 55,527 |
| Non Current | - | 47,648 |
| Total Lease liabilities | 67,201 | 1,03,175 |

18. RELATED PARTY TRANSACTIONS

During the current year, the Group has entered into transactions with the following related parties.

| | |
|---|---|
| Significant Influence over the Parent Company | T Rowe Price International Limited (23.00%) |
| Holding Company | UTI Asset Management Company Limited |
| Key Management Personnel (KMP) | Mr. Praveen Jagwani (CEO) Mr. Imtaiyazur Rahman (Non – Executive Director) (upto 17th October, 2022) Mr. Christopher M W Hill (Non – Executive Director) Mr. D K Mehrotra (Non – Executive Director) (from 18th October, 2022) |

The amounts due to and due from the related parties are not secured, interest free and are repayable on demand. The details of the transactions with related parties included in the statement of comprehensive income are as follows:

| Nature of Transaction | Holding Company | Key Management Personnel | Total |
|-----------------------|------------------|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2023 | 31st March, 2023 |
| | 31st March, 2022 | 31st March, 2022 | 31st March, 2022 |
| | GBP | GBP | GBP |
| Income | | | |
| Fee income | 10,03,479 | - | 10,03,479 |
| | 7,79,068 | - | 7,79,068 |
| Expenses | | | |
| Fund Management fees | 14,33,148 | - | 14,33,148 |
| | 13,88,779 | - | 13,88,779 |
| Salary and allowances | | | |
| - Praveen Jagwani | - | 7,47,169 | 7,47,169 |
| | - | 6,09,828 | 6,09,828 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

| Nature of Transaction | 31st March, 2023 | 31st March, 2022 |
|------------------------|------------------|------------------|
| | GBP | GBP |
| Director's Fees | | |
| Christopher M W Hill | 21,117 | 10,980 |
| D K Mehrotra | 9,388 | - |
| | 30,505 | 10,980 |

No remuneration is paid by UTI International Limited to Mr. Imtaiyazur Rahman, as he is a full time director of UTI AMC Limited.

Details of related parties' balances included in the statement of financial position are as follows:

| Nature of Transaction | Holding Company | Key Management Personnel | Total |
|-----------------------------|------------------|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2023 | 31st March, 2023 |
| | 31st March, 2022 | 31st March, 2022 | 31st March, 2022 |
| | GBP | GBP | GBP |
| Outstanding balances | | | |
| Trade & other receivables | 6,75,881 | - | 6,75,881 |
| | 2,23,288 | - | 2,23,288 |
| Trade & other payables | 2,54,692 | - | 2,54,692 |
| | 3,35,120 | - | 3,35,120 |

19. FAIR VALUE MEASUREMENT

Investments in managed funds are valued at fair value according to IFRS as described in Note 2. The Company's other assets and liabilities include cash and cash equivalents and other payables (excluding accruals) which are realised or settled within a short-term period and excludes prepayments. The carrying amounts of these assets and liabilities approximate their fair values.

The table below provides reconciliation of the line items in the Company's statement of financial position to the categories of financial instruments:

| 31st March, 2023 | Investments at fair value | Financial assets at amortised cost | Other financial liabilities | Total carrying amount |
|---|---------------------------|------------------------------------|-----------------------------|-----------------------|
| | GBP | GBP | GBP | GBP |
| Financial assets at fair value through profit or loss | 43,722,401 | - | - | 43,722,401 |
| Trade receivables and other assets | - | 4,012,205 | - | 4,012,205 |
| Cash at bank | - | 11,161,301 | - | 11,161,301 |
| Trade and other payables | - | - | (4,239,455) | (4,239,455) |
| | | | | |
| 31st March, 2022 | GBP | GBP | GBP | GBP |
| Financial assets at fair value through profit or loss | 33,714,818 | - | - | 33,714,818 |
| Trade receivables and other assets | - | 3,921,236 | - | 3,921,236 |
| Cash at bank | - | 23,217,495 | - | 23,217,495 |
| Trade and other payables | - | - | (3,916,115) | (3,916,115) |

| 31st March, 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|------------|---------|---------|-------------------|
| | GBP | GBP | GBP | GBP |
| Financial assets at fair value through profit or loss | 43,722,401 | - | - | 43,722,401 |
| 31st March, 2022 | Level 1 | Level 2 | Level 3 | Total |
| | GBP | GBP | GBP | GBP |
| Financial assets at fair value through profit or loss | 33,714,818 | - | - | 33,714,818 |

Determination of fair values

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted price (unadjusted in an active market for an identical instrument.)
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments: quoted prices for identical or similar

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

- Level 3: Valuation technique using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value is calculated on the basis of daily rates posted on the Bloomberg website (Level 1).

20. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

The Directors consider that their main risk management objective is to monitor and mitigate material risks, including credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

Several procedures are in place to enable material risks to be adequately managed. These include preparation and review of annual forecasts and monthly management accounts. For the current period there is no concentration of risk observed by the management.

The key risks are summarised below:

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. IFRS 9 requires impairment loss allowances to be recognised at an amount equal to either 12-month expected credit loss (ECL) ('stage 1 ECLs) or lifetime ECLs. 12 months ECLs are the ECLs that result from all possible default events that are possible within 12 months after reporting date. 'Stage 2' ECLs are lifetime ECLs that are recognised where there has been a significant increase in credit risk of the financial instrument and 'stage 3' ECLs are lifetime ECLs that are recognised where the financial instruments is considered to be credit impaired.

(i) Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. However the Company exposure to ECLs is not material.

(ii) Financial assets that are neither past due nor credit impaired

Trade and other debtors that are neither past due nor credit impaired are with credit worthy debtors with good payment record with the Company. The Company derives its main source of revenue from providing fund management services to its affiliates. Exposure to credit risk arising from related party transactions is minimal as these affiliates are of good credit standing. Cash and bank balances of the group comprises of cash and deposits placed with major international banks.

(iii) Financial assets that are either past due or impaired

There is no financial asset that is either past due or credit impaired or would be otherwise require a material loss allowance under the ECL model as 31st March, 2023 and 31st March, 2022.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company's policy on liquidity risk management is to maintain sufficient cash and the availability of funding. Cash balances and forecast cash movements are reviewed on a regular basis, bank reconciliations are prepared and reviewed daily and management accounts are prepared and reviewed monthly to ensure that the Company

maintains adequate working capital. The Company's financial assets are short-term in nature which mitigates the risk of default on financial obligations. At the end of the reporting period, all of the Company's financial liabilities

(excluding lease liabilities) will mature in less than one year based on the carrying amount reflected in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(Amounts in GBP)

| | Less than 3 months / On demand | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|------------------------------------|-----------------------------------|-------------------|-----------------|-----------|-----------|
| Year ended 31st March, 2023 | | | | | |
| Trade & other payables | 3,670,787 | 568,668 | - | - | 4,239,455 |
| Year ended 31st March, 2022 | | | | | |
| Trade & other payables | 3,491,539 | 376,928 | 47,648 | - | 3,916,115 |

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company's interest-bearing assets are cash deposits placed with banks of GBP NIL as at 31st March, 2023 and GBP 7,899,299 at 31st March, 2022 and cash at bank of GBP 11,161,301 as at 31st March, 2023 and GBP 15,318,196 as at 31st March, 2022. The Company's policy is to maximise the returns on these interest-bearing assets. The Company does not have any borrowings. Directors have deemed the sensitivity risk to be immaterial.

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's financial exposure is denominated in various other currencies shown in the currency profile below. Consequently, the Company is exposed to the risk that the exchange rate of these currencies relative to GBP may change in a manner, which has a material effect on the reported values of its assets denominated in GBP.

The currency risk profile of the Company's net financial exposure is summarised below:

| | Financial exposure | |
|-----------------------------|--------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| | GBP | GBP |
| United States Dollar (US\$) | 16,609,029 | 14,930,395 |
| Japanese Yen (JPY) | 2,341 | 1,299 |
| Euro | 288,271 | 164,773 |

Sensitivity analysis for currency risk:

The sensitivity analysis shows how the value of a financial instrument will fluctuate due to changes in foreign exchange rates against the GBP, the functional currency of the Company.

| | Change in currency +/- | Effect on profit before tax | |
|------|---------------------------|-----------------------------|------------------|
| | | 31st March, 2023 | 31st March, 2022 |
| | | GBP | GBP |
| US\$ | 5% | 830,451 | 746,520 |
| JPY | 10% | 234 | 130 |
| Euro | 5% | 14,414 | 8,239 |

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices. The Company is exposed to equity price risk arising from its investment in quoted equity securities. These instruments are classified as financial assets at fair value through Profit or loss. The Company's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield and noninvestment grade shares with higher volatility.

Sensitivity analysis for equity price risk:

At the end of the reporting period, if the share prices of the equity securities had been 10% higher/lower with all other variables held constant, the Company's income statement would have been GBP 4,372,129 as at 31st March, 2023 and GBP 3,371,371 as at 31st March, 2022 higher/lower, arising as a result of an increase/decrease in the fair value of equity securities classified as financial assets at fair value through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

21. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit position and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, or issue shares, or extend the payment period for the supplier (Investment Advisors) or accelerate receipt from the debtors (Funds which the Company manages).

22. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Group's immediate holding company is UTI Asset Management Company Limited, a Company incorporated in Mumbai, India. The shareholders of the immediate holding company as on 31st March, 2023 are State Bank of India (9.99%), Bank of Baroda (9.99%), Life Insurance Corporation of India (9.99%), Punjab National Bank (15.24%), and T Rowe Price International Limited (22.98%).

23. OTHER MATTERS

During 2019, show cause notices (SCNs) were issued by the Securities Exchange Board of India (SEBI) to the India Debt Opportunities Fund (IDOF), a fund managed by the Company, regarding allegations of a number of regulatory breaches by the underlying India Debt Opportunities Fund Scheme (IDOF Scheme).

SEBI has issued show cause notices dated (i) 26th June, 2019 under the SEBI Act ("First SCN"); (ii) 13th September, 2019 under the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 ("Inquiry Rules SCN"); and (iii) 13th September, 2019 under the SEBI Intermediaries Regulations ("Intermediaries Regulations SCN"), and together with the First SCN and the Inquiry Rules SCN, the "SCNs"), to IDOF which is registered as a Category II FPI under the SEBI FPI Regulations, in relation to the IDOF Scheme.

IDOF has responded to the First SCN and the Intermediaries Rules SCN, among others, denying all the allegations. Further, IDOF has responded to the Inquiry Rules SCN requesting SEBI to provide legible copies of certain documents and requesting that the proceedings under the Inquiry Rules SCN be kept in abeyance until the conclusion of the proceedings under the First SCN. Pursuant to the SCNs, SEBI has directed IDOF to, among others, show cause as to why directions to disgorge the allegedly undue profit of ₹ 244.34 mn should not be issued to IDOF, and why action under the SEBI Intermediaries Regulations and the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 should not be taken against IDOF. Order is yet to be passed. IDOF Limited. has through its lawyers filed detailed replies to the SCNs denying all the allegations including any non-compliances. In the assessment of the management of IDOF Limited, the SCNs including the proposed penalties/actions should not sustain. Therefore, no provision or contingent liability has been recorded in the financial statements of UTI International Limited as management have assessed the probability of there being an outflow of economic resources for UTI International Limited as remote. No SCNs have been issued to UTI International.

24. SHARE-BASED PAYMENT TRANSACTIONS

The holding company UTI Asset Management Company Limited has an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007". Certain eligible employees from its subsidiaries, as approved by the Board of the holding company, were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan.

Under the scheme, 70,851 equity shares have been granted on 16th December, 2019, to the eligible employees of the companies UTI International Limited and subsidiary UTI International (Singapore) Private Limited and each option entitles the holder thereof to apply for and be allotted a number of Equity Share granted by the Company having face value of ₹ 10 each for an exercise price of ₹ 728 during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16th December, 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

Similarly under the scheme, 36,104 equity shares have been granted on 28th July, 2021, to the eligible employees of the companies UTI International Limited and subsidiary UTI International (Singapore) Private Limited and each

option entitles the holder thereof to apply for and be allotted a number of Equity Share granted by the Company having face value of ₹ 10 each for an exercise price of ₹ 923.20 during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 28th July, 2021. The exercise period would be maximum of 5 years from the date of vesting of options.

Similarly under the scheme, 57,149 equity shares have been granted on 13th September, 2022, to the eligible employees of the companies UTI International Limited and subsidiary UTI International (Singapore) Private Limited and each option entitles the holder

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

thereof to apply for and be allotted a number of Equity Share granted by the Company having face value of ₹ 10 each for an exercise price of ₹ 816.05 during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 13th September, 2022. The exercise period would be maximum of 5 years from the date of vesting of options.

Employee stock option scheme (Equity settled)

| Particulars | ESOS 2007 (Dec 2019) | ESOS 2007 (July 2021) | ESOS 2007 (September 2022) |
|--|---|-------------------------------------|-------------------------------------|
| Date of Grant | 16th December, 2019 | 28th July, 2021 | 13th September, 2022 |
| Price of Underlying Stock | ₹ 728 (GBP 7.67) | ₹ 923.20 (GBP 8.93) | ₹ 816.05 (GBP 8.8) |
| Exercise / Strike Price (In ₹) | ₹ 728 (GBP 7.67) | ₹ 923.20 (GBP 8.93) | ₹ 816.05 (GBP 8.8) |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | | | |
| Risk Free Interest Rate | 6.33% | 5.51% | 6.91% |
| Expected Dividend | ₹ 5 per share (GBP 0.05 per share) | ₹ 17 per share (GBP 0.16 per share) | ₹ 21 per share (GBP 0.21 per share) |
| Expected Life (years) | 4 Years (mid - way between option vesting and expiry) | 4.17 Years | 4.14 Years |
| Expected Volatility | 39.78% | 30.44% | 35.66% |
| Weighted Average Fair Value of Options | ₹ 276 (GBP 2.91) | ₹ 260.07 (GBP 2.51) | ₹ 256.55 (GBP 2.77) |

- Amount converted into GBP @ 94.9645 (16th December, 2019)
- Amount converted into GBP @ 103.3009 (28th July, 2021)
- Amount converted into GBP @ 92.6809 (13th September, 2022)

The information covering stock options granted, exercised, forfeited and outstanding at the period end is as follows:

| Particulars (ESOS 2007 - Dec 2019) | No. of stock options as at 31st March, 2023 | No. of stock options as at 31st March, 2022 |
|--|---|---|
| Date of Grant | 16th December, 2019 | 16th December, 2019 |
| Outstanding at the beginning of the year | 53,386 | 70,851 |
| Granted during the period | - | - |
| Exercised during the period | - | - |
| Forfeited during the period | - | - |
| Lapsed/expired during the period | - | 17,465 |
| Outstanding at the end of the period | 53,386 | 53,386 |
| Vested and exercisable | 53,386 | 53,386 |

| Particulars (ESOS 2007 - July 2021) | No. of stock options as at 31st March, 2023 | No. of stock options as at 31st March, 2022 |
|--|---|---|
| Date of Grant | 28th July, 2021 | 28th July, 2021 |
| Outstanding at the beginning of the year | 36,104 | 36,104 |
| Granted during the period | - | - |
| Exercised during the period | - | - |
| Forfeited during the period | - | - |
| Lapsed/expired during the period | - | - |
| Outstanding at the end of the period | 36,104 | 36,104 |
| Vested and exercisable | 12,035 | - |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Particulars (ESOS 2007 – September 2022) | No. of stock options as at 31st March, 2023 |
|---|--|
| Date of Grant | 13th September, 2022 |
| Outstanding at the beginning of the year | - |
| Granted during the period | 57,149 |
| Exercised during the period | - |
| Forfeited during the period | - |
| Lapsed/expired during the period | 1,244 |
| Outstanding at the end of the period | 55,905 |
| Vested and exercisable | - |

Expense arising from share-based payment transactions

(Amounts in GBP)

| Particulars | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|---|--|--|
| Employee stock option scheme (equity settled) | 161,206 | 74,002 |

25. EVENTS AFTER REPORTING DATE

No significant events have been identified which require adjustment within the financial statements..

UTI RETIREMENT SOLUTIONS LIMITED

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DIRECTORS' REPORT

To,
The Members,

UTI Retirement Solutions Limited ("Company").

The Directors have pleasure in presenting the Fifteenth Annual Report together with the financial statements of your Company for the financial year ended 31st March, 2023.

UTI Retirement Solutions Limited is promoted by UTI Asset Management Company Limited to carry out the operations as Pension Fund Manager as directed by the Pension Fund Regulatory and Development Authority (PFRDA) and Board of Trustees of the National Pension System Trust set up under the Indian Trust Act, 1882, and to undertake wholesale asset management as prescribed by the Government or Pension Fund Regulatory and Development Authority. The Company was incorporated on 14th December, 2007.

The National Pension System (NPS) is a defined contribution pension scheme introduced by Govt. of India and is applicable on a mandatory basis to all Central Government Employees (except Armed Forces) who have joined services with effect from 1st January, 2004. Various State Governments have notified a revision in their respective Pension and GPF Rules and have adopted NPS for their own employees.

The NPS is also available on voluntary basis to all other citizens of India including self-employed professionals and others in the unorganised sector with effect from 1st May, 2009. This is based on self-defined contribution received from the citizens.

The NPS is regulated by Pension Fund Regulatory and Development Authority. The detailed information may be accessed in the official websites of PFRDA and NPS Trust i.e. www.pfrda.org.in and www.npstrust.org.in respectively.

1. THE STATE OF THE COMPANY'S AFFAIRS:

➤ Business of the Company

Your company was incorporated with the main objective of wholesale asset management of pension funds under NPS. The total AUM of all the NPS Schemes managed by UTI Retirement Solutions Limited. stood at ₹ 2,40,708.60 crore as on 31st March, 2023 as compared to ₹ 2,01,918.53 crore as on 31st March, 2022.

UTI Retirement Solutions Limited manages the following NPS Schemes as on 31st March, 2023:

| Sr. No. | Name of Scheme | AUM (₹ in crore) | |
|--------------|---|------------------------|------------------------|
| | | As on 31st March, 2023 | As on 31st March, 2022 |
| 1. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme E – Tier I | 1,483.07 | 1,239.61 |
| 2. | NPS Trust–A/C UTI Retirement Solutions Scheme E – Tier II | 69.61 | 69.98 |
| 3. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme C – Tier I | 751.03 | 622.87 |
| 4. | NPS Trust–A/C UTI Retirement Solutions Scheme C – Tier II | 31.67 | 31.59 |
| 5. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme G – Tier I | 1,361.99 | 1,104.79 |
| 6. | NPS Trust–A/C UTI Retirement Solutions Scheme G – Tier II | 57.57 | 53.59 |
| 7. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme A – Tier I* | 8.07 | 5.72 |
| 8. | NPS Trust - A/c UTI Retirement Solutions Pension Fund Scheme - Tax Saver- Tier II** | 0.84 | 0.46 |
| 9. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – Central Govt. | 81,678.04 | 70,723.78 |
| 10. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – State Govt. | 1,44,992.77 | 1,19,847.18 |
| 11. | NPS Trust – A/C UTI Retirement Solutions Limited. – NPS Lite Scheme –Govt. Pattern | 1,405.36 | 1,339.49 |
| 12. | NPS Trust – A/C UTI Retirement Solutions Scheme – Atal Pension Yojana | 8,706.54 | 6,879.47 |
| 13. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – Corporate CG | 0.00 | 0.00 |
| 14. | NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – APY Fund Scheme | 162.04 | - |
| Total | | 2,40,708.60 | 2,01,918.53 |

DIRECTORS' REPORT (Contd.)

POP Activity:

The Company received Certificate of Registration of Points of Presence (POP) under the National Pension System (NPS) vide PFRDA Letter No. PFRDA/16/05/112/0011/2022-REG-POP dated 20th April, 2022. The Registration Number for the same is POP336042022.

➤ Financial Highlights:

The Audited Balance Sheet and Profit and Loss Account for the period ended 31st March, 2023 along with schedules, Notes to Accounts and Auditors Report are attached to this Report as annexures.

The financial highlights of the Company as on 31st March, 2023 as compared to the previous year as on 31st March, 2022 are as under:

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|-----------------------------------|--|--|
| Share Capital | 22,00,00,000 | 22,00,00,000 |
| Income: | | |
| Investment Management Fees | 1,01,52,76,924 | 91,38,92,255 |
| Interest on Capital Employed | 5,08,54,879 | 1,54,30,395 |
| Total Income | 1,06,61,31,803 | 92,93,22,650 |
| Expenses | | |
| Employee Benefit Expenses | 6,83,97,436 | 4,31,66,131 |
| Administrative & Other expenses | 36,37,16,622 | 31,40,66,426 |
| Depreciation | 1,26,18,884 | 69,57,497 |
| Total | 44,47,32,942 | 36,41,90,054 |
| Profit before Tax | 62,13,98,861 | 56,51,32,596 |
| Taxes | | |
| Current Taxes | 15,66,95,209 | 13,93,92,530 |
| Tax adjustments for earlier year | (24,345) | 2,322 |
| Deferred Taxes | 17,079 | 23,67,583 |
| Total Taxes | 15,66,87,943 | 14,17,62,435 |
| Profit after Tax | 46,47,10,918 | 42,33,70,161 |
| Prior Period Items | 0 | 0 |
| Profit / Loss for the year | 46,47,10,918 | 42,33,70,161 |
| Earnings Per Share | 21.12 | 19.24 |
| Net – worth | 133,54,63,071 | 86,78,74,258 |

The net-worth of the Company has increased from ₹ 86,78,74,258 as on 31st March, 2022 to ₹ 1,33,54,63,071 as on 31st March, 2023.

➤ Changes in Share Capital:

During the financial year 2022-23, the Authorised Share Capital of the Company was ₹ 35 crore and the Paid-up share capital of the Company was ₹ 22 crore.

Further, no equity shares with differential voting rights, sweat equity shares, Employee Stock Options were issued by the Company, during the year under review,

➤ Awards and Accolades:

- UTI RSL was awarded the Best Pension Fund Manager of the Year by Asia Asset Management - Best of the Best Awards for the Year 2023. This is the Sixth consecutive year that we have received this award.

- UTI RSL received the Award for the 'Best Transformation of the year' for IT Infrastructure setup at the CIO Summit 2023 hosted by empiric business media.

2. AMOUNT RECOMMENDED TO BE PAID BY WAY OF DIVIDEND:

Your Board of Directors do not recommend any dividend for the current financial year due to conservation of profits and continued investment in the business.

3. AMOUNT TRANSFERRED TO RESERVES & SURPLUS:

The current year profit of ₹ 46,75,88,813 is transferred to Reserves & Surplus. The Balance in the Reserves and Surplus account is ₹ 1,11,54,63,071/-.

DIRECTORS' REPORT (Contd.)

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

In addition to the business of Funds Management, the Company is now eligible to carry POP activities, pursuant to the receipt of Certificate of Registration of Points of Presence (POP) under the National Pension System (NPS) vide PFRDA Letter No. PFRDA/16/05/112/0011/2022-REG-POP dated 20th April, 2022.

The Registration Number for the same is POP336042022.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL

STATEMENTS RELATE AND THE DATE OF THIS REPORT:

There were no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of year ended 31st March, 2023 to which the financial statements relate and the date of the report which the directors wish to report.

6. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The Directors of your company comprises of prudent professionals from financial /investment / accounting / audit / risk field. The composition of the Board of Directors and number of Board meetings attended by each of them, at the end of the Financial Year 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|-----------------------|---|--|--------------------------|
| 1. | Mr. Imtaiyazur Rahman | Chairman & Director | 5 | 5 |
| 2. | Mr. Chetan Desai | Independent Director | 5 | 5 |
| 3. | Mr. Puneet Gupta | Independent Director | 5 | 5 |
| 4. | Mrs. Sangeeta Sharma | Independent Director | 5 | 5 |
| 5. | Mrs. Dipali Sheth* | Non-Executive Director | 5 | 5 |
| 6. | Mr. Balram P. Bhagat | Chief Executive Officer & Whole Time Director | 5 | 5 |

*Appointed in the Board Meeting held on 19th April, 2022.

The Board of Directors met 5 times during FY 2022-23 on 19th April, 2022; 19th July, 2022; 19th October, 2022; 17th November, 2022 and 18th January, 2023.

➤ Director's appointment/Re-appointment / resignation during the financial year:

During the FY 2022-23, Mrs. Dipali Sheth was appointed as a Non-Executive Director w.e.f. 19th April, 2022.

Further during the year, Mr. Chetan Desai was re-appointed as an Independent Director w.e.f. 13th October, 2022 and Mr. Puneet Gupta was re-appointed as an Independent Director w.e.f. 18th November, 2022.

Mr. Chetan Desai & Mr. Puneet Gupta shall hold the office from the date of their re-appointment, till the conclusion of the Annual General Meeting proposed to be held in the year 2025.

Mr. Balram P. Bhagat was reappointed as the Chief Executive Officer & Whole Time Director of the Company w.e.f. 1st December, 2022 till 31st March, 2024. The said appointment was approved by the shareholders at their meeting held on 22nd November, 2022.

➤ Declaration by independent directors under Sub-section (6) of Section 149:

We have received declaration from the following independent directors as required in 149 (6) of the Companies Act, 2013 confirming their independence:

- Mr. Chetan Desai
- Mr. Puneet Gupta
- Mrs. Sangeeta Sharma

None of the Directors are disqualified for being appointed as Director as specified in Section 164 of the Companies Act, 2013.

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered with the Indian Institute of Corporate Affairs for inclusion of their names in Independent Directors Databank.

➤ Changes in Key Managerial Personnel:

Mr. Vivek Vadwana resigned from the post of Company Secretary & Compliance officer of the

DIRECTORS' REPORT (Contd.)

Company w.e.f. 19th August, 2022 and the Board approved the appointment of Mr. Abhijeet Chavan as the Company Secretary & Compliance officer w.e.f. 19th October, 2022.

7. AUDIT COMMITTEE:

In terms of the provisions of Section 177 of the Companies Act, 2013, your Company has constituted an Audit

Committee of the Board of Directors of the Company which consists of directors who are eminent persons and have knowledge in the field of Accounts, Taxation, Audit, Risk, Finance etc.

The Audit Committee reviews the requisite Compliances, the adequacy and effectiveness of the internal controls and monitors the implementation of the auditors' recommendations.

The composition of the Audit Committee and the number of meetings attended by its members, at the end of FY 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|----------------------|---------------------------|--|--------------------------|
| 1. | Mr. Chetan Desai | Chairman of the Committee | 4 | 4 |
| 2. | Mr. Puneet Gupta | Member | 4 | 4 |
| 3. | Mrs. Sangeeta Sharma | Member | 4 | 4 |
| 4. | Mrs. Dipali Sheth* | Member | 4 | 3 |

*Appointed in the Board Meeting held on 19th April, 2022.

The Audit Committee met 4 times during FY 2022-23 on 19th April, 2022; 19th July, 2022; 19th October, 2022 and 17th January, 2023.

➤ Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177 of the Companies Act, the Company has also adopted the Vigil Mechanism / Whistle Blower Policy to supplement the anti-bribery policy and anti-fraud policy of the Company. Through this policy, the Company intends to encourage its Employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. This Policy aims to provide a mechanism to ensure that concerns are properly raised, appropriately investigated and addressed. The Policy is available on the Company's website, the link for which is: <https://www.utirsl.com/>

[Content/Corporate%20Governance%20Policies/WhistleBlowerPolicy18012023avC6Wc.pdf](#).

8. INVESTMENT MANAGEMENT COMMITTEE

The Board of Directors has also constituted an Investment Management Committee, in compliance of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations 2015, to monitor the investment operations of pension corpus of NPS Schemes managed by the Company and to monitor the compliance of the Investment Management Agreements entered into with National Pension System Trust along with the guidelines issued by PFRDA from time to time.

The composition of the Investment Management Committee and the number of meetings attended by its members, at the end of FY 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|----------------------|---------------------------|--|--------------------------|
| 1. | Mr. Puneet Gupta | Chairman of the Committee | 4 | 4 |
| 2. | Mrs. Sangeeta Sharma | Member | 4 | 4 |
| 3. | Mr. Balram P. Bhagat | Member | 4 | 4 |
| 4. | Mrs. Sanjay Dongre | Member | 4 | 4 |
| 5. | Mr. Omkar Patwardhan | Member | 4 | 4 |

The Investment Management Committee met 4 times during FY 2022-23 on 18th April, 2022; 18th July, 2022; 18th October, 2022 and 17th January, 2023.

**DIRECTORS' REPORT (Contd.)****9. RISK MANAGEMENT COMMITTEE:**

Risk Management is one of the key focus areas and your Company has established processes and systems to ensure managing risk. A Risk Management Committee of the Board has been constituted, in compliance of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations 2015, to monitor various risks applicable to its

operations, including operational risk, liquidity risk, credit risk, market risk and regulatory risk.

The Board of Directors of your Company periodically review the Risk Management Policy, procedures and processes of the Company, including the delegation of powers for investment and financial responsibilities, investment prudential norms, guidelines and limits. The Board also reviews the performance of all schemes on quarterly basis.

The composition of the Risk Management Committee and the number of meetings attended by its members, at the end of FY 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|----------------------|------------------------------|--|--------------------------|
| 1. | Mrs. Dipali Sheth* | Chairperson of the Committee | 4 | 3 |
| 2. | Mr. Chetan Desai | Member | 4 | 4 |
| 3. | Mr. Balram P. Bhagat | Member | 4 | 4 |
| 4. | Mrs. Sanjay Dongre | Member | 4 | 4 |
| 5. | Mr. Abhijeet Chavan# | Member | 4 | 2 |
| 6. | Mr. Omkar Patwardhan | Member | 4 | 4 |

*Appointed in the Board Meeting held on 19th April, 2022.

#Appointed in the Board Meeting held on 19th October, 2022.

The Risk Management Committee met 4 times during FY 2022-23 on 18th April, 2022; 18th July, 2022; 18th October, 2022; and 17th January, 2023.

10. NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013. The Company has also formulated a Nomination and Remuneration Policy which is available on the Company's website, the link for which is : <https://www.utirsl.com/Content/Corporate%20Governance%20Policies/2NominationandRemunerationPolicyu8aRaU.pdf>

The composition of the Nomination and Remuneration Committee and the number of meetings attended by its members, at the end of FY 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|----------------------|------------------------------|--|--------------------------|
| 1. | Mrs. Sangeeta Sharma | Chairperson of the Committee | 4 | 4 |
| 2. | Mr. Chetan Desai | Member | 4 | 4 |
| 3. | Mr. Puneet Gupta | Member | 4 | 4 |
| 4. | Mrs. Dipali Sheth* | Member | 4 | 3 |

*Appointed in the Board Meeting held on 19th April, 2022.

The Nomination & Remuneration Committee met 4 times during FY 2022-23 on 19th April, 2022; 18th July, 2022; 19th October, 2022; and 17th November, 2022.

11. CSR COMMITTEE:

Considering the Company's continuous commitment to behave ethically and contribute to the economic development of its work force and their families as well as that of the local community and society, the Company has constituted a CSR Committee in accordance with the provisions of Section 135 of the Companies Act, 2013.

The CSR committee is responsible for overseeing the execution of the Company's CSR Policy. The Company's CSR Policy is available on our website, at <https://www.utirsl.com/Content/Corporate%20Governance%20Policies/UTIRSLCSRPolicyF46gym.pdf>

The annual report on our CSR activities is appended as Annexure I to the Board's report.

DIRECTORS' REPORT (Contd.)

The composition of the CSR Committee and the number of meetings attended by its members, at the end of FY 2022-23 are as under:

| Sr. No. | Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|---------|-----------------------|---------------------------|--|--------------------------|
| 1. | Mr. Imtaiyazur Rahman | Chairman of the Committee | 1 | 1 |
| 2. | Mr. Chetan Desai | Member | 1 | 1 |
| 3. | Mrs. Sangeeta Sharma | Member | 1 | 1 |

The CSR Committee met 1 time during FY 2022-23 on 18th January, 2023. The detailed report on CSR activities undertaken by your Company during the Financial Year is shared in Annexure II to this report.

12. AUDITORS & AUDIT REPORTS

At the Company's 13th Annual General Meeting held on 16th July, 2021, M/s Bansilal Shah & Co, Chartered Accountants (FRN No: 000384W), has been appointed as the Statutory Auditor of the Company for a term of 5 years and shall hold the office from the conclusion of the 13th Annual General Meeting until the conclusion of the 18th Annual General Meeting of the Company.

M/s. Varma & Varma, Chartered Accountants were appointed as the Statutory Scheme Auditors for NPS Schemes under the National Pension System (NPS) for FY 2022-23 by the NPS Trust vide letter dated 23rd November, 2022, for carrying out audit of the NPS schemes managed by UTI Retirement Solutions Limited.

Your Company has also appointed M/s. Chokshi & Chokshi LLP, Chartered Accountants (FRN – 101872W/W100045) for conducting the Internal Audit and Concurrent audit of UTI Retirement Solutions Limited for FY 2022-23 & for conducting the Internal Audit of the Point of Presence operations, as per the PFRDA guidelines.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer. No fraud has been reported by the Auditor under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

13. SECRETARIAL AUDIT

The provisions of the Secretarial Audit as mentioned in Section 204 of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The primary objective of the Company is to carry on the business of Funds Management & POP Business,

the particulars of Conservation of energy, technology absorption etc. are not applicable.

There was no foreign exchange earnings and outgo during the year.

15. DEPOSITS:

During the year, your Company did not accept any deposits from the public under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

16. DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES (ONLY IF APPLICABLE):

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013: -

A Policy for Prevention of Sexual Harassment of Women at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 has been adopted by the Company.

An Internal Complaints Committee (ICC) has also been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy and are provided adequate training. The aim is to provide a safe environment to all employees so as to enable them to work without fear, prejudice, gender bias and sexual harassment.

During the year under review, no complaint of Sexual Harassment has been received during the year under review.

18. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no

DIRECTORS' REPORT (Contd.)

materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Hence, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable. The Company has formulated a Policy on Related Party Transactions. The Policy is available on the Company's website at <https://utirsl.com/retirement-solutions/policies/>

The particulars of contracts/arrangements entered into by the Company with related parties are detailed in the financial statements which set out related party disclosures. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

19. ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 can be accessed on the website of the Company and the link for which is: <https://www.utirsl.com/retirement-solutions.aspx?ID=6>.

20. BOARD EVALUATION

As per Section 134 of the Companies Act 2013 read with rule 8 of the Company (Accounts) Rules, 2014, every listed company and every other public company having a paid-up share capital of twenty-five crore rupees or more are required to carry out the board evaluation. Since, we have paid-up share capital of twenty-two crores the provision relating to board evaluation is not applicable. In terms of Schedule IV of the Companies Act, 2013 for FY 2022-23, Independent Directors had met without the attendance of non-independent directors and members of management and had carried out the evaluation of the Non-Executive Directors/Independent Directors, the Executive Director/Whole Time Director, the Chairperson, the Board Committees and the Board as a whole.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans, guarantees or investments, if any, as required under Section 134(3)(g) and Section 186 of the Companies Act, 2013 are set out in notes to the Financial Statements as at 31st March, 2023.

22. CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE:

The UTI Retirement Solutions Limited has adopted the Policy on Prevention of Sexual Harassment of Women at

Workplace which is applicable to all employees of UTI Retirement Solutions Limited. Accordingly, an Internal Complaints Committee is formed thereby complying with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is available on the Company's website at <https://utirsl.com/retirement-solutions/policies/>

23. DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143

There was no fraud reported by auditors under sub-section (12) of section 143 during the financial year.

24. REVISION OF FINANCIAL STATEMENT OR BOARD'S REPORT

There was no revision of Financial Statements or Board's report during the financial year.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) and Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the FY 2022-23, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. 31st March, 2023 and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis; and
- (e) the proper systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. OTHER DISCLOSURES

- Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are

DIRECTORS' REPORT (Contd.)

not applicable to the business activities carried out by the Company.

- The Company has not filed any application or no such proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended 31st March, 2023.
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions, is not applicable to the Company.
- There was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;
- The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

27. ACKNOWLEDGEMENT

We acknowledge the valuable support, co-operation and guidance received from the Sponsors of your Company,

Pension Fund Regulatory & Development Authority (PFRDA), National Pension System (NPS) Trust, Axis Bank Limited. (Trustee Bank), Deutsche Bank AG (Custodian), Protean eGov Technologies Limited (PCRA), KFin Technologies Limited (KCRA), Computer Age Management Services Limited (CCRA) and CRISIL. We are also thankful to our shareholders, Auditors, Bankers, Brokers and all other service providers for their valued support. We would also like to thank the employees for the commitment, collaboration and partnership demonstrated by them during the year.

For and on behalf of the Board of Directors UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN:01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN: 01846261

Date: 18th April,2023

Place: Mumbai



ANNEXURE -I

THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FY 2022-23

1. Brief outline on CSR Policy of the Company:

The vision of the Company is that its CSR Initiatives will supplement its contribution in environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development through its service, conduct & social initiatives.

2. Composition of CSR Committee & Meetings held:

| Name of Director | Designation | No. of meetings held during the financial year | No. of meetings attended |
|-----------------------------------|-------------------------------|--|--------------------------|
| Mr. Imtaiyazur Rahman | Chairman of the Committee | 1 | 1 |
| Mr. Chetan Desai | Member & Independent Director | 1 | 1 |
| Mrs. Sangeeta Sharma Puneet Gupta | Member & Independent Director | 1 | 1 |

The CSR Committee met 1 time during FY 2022-23 on 18th January, 2023.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.:

<https://www.utirsl.com/retirement-solutions.aspx?ID=7>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) :

N.A.

5. 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

N.A.

6. Average net profit of the Company as per section 135(5): ₹ 22,35,13,100/-.

7. Two percent of average net profit of the Company as per section 135(5) : ₹ 44,70,262/-.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any : Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 44,70,262/-.

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in ₹) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| 83,85,443 | - | - | - | - | - |

ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

(b) Details of CSR amount spent against ongoing projects for the financial year:

| (1) Sl. No. | (2) Name of the Project | (3) Item from the list of activities in Schedule VII to the Act | (4) Local area (Yes/No) | (5) Location of the project | | (6) Project duration | (7) Amount allocated for the project (in ₹) | (8) Amount spent in the current financial Year (in ₹) | (9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | (10) Mode of Implementation - Direct (Yes/No) | (11) Mode of Implementation - Through Implementing Agency | |
|----------------|--|--|----------------------------|--------------------------------|-------------|-------------------------|--|--|---|--|--|-------------------------|
| | | | | State | District | | | | | | Name | CSR Registration number |
| 1. | 'Project Drishiti' | (i) | Yes | Maharashtra | Mumbai | 2022-23 | 45,00,000 | 45,00,000 | - | No | Rotary Club of Madras East | CSR00017534 |
| 2. | Enhancing Water Security and Health in Thar Desert (EWSH). | (i) | No | Rajasthan | Thar Desert | 2022-23 | 38,85,443 | 38,85,443 | - | No | GRAVIS | CSR00001526 |
| | Total | | | | | | 83,85,443 | 83,85,443 | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

| (1) Sl. No. | (2) Name of the Project | (3) Item from the list of activities in schedule VII to the Act. | (4) Local area (Yes/ No). | | (5) Location of the project. | | (6) Amount spent for the project (in ₹). | (7) Mode of implementation - Direct (Yes/No). | (8) Mode of implementation - Through implementing agency. | |
|----------------|----------------------------|---|------------------------------|-----------|---------------------------------|-----------|---|--|--|--------------------------|
| | | | State. | District. | State. | District. | | | Name. | CSR registration number. |
| 1. | - | - | - | - | - | - | - | - | - | - |
| | Total | | | | | | | | | |

(d) Amount spent in Administrative Overheads: ₹ 3,55,275

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 83,85,443

**ANNEXURE - I TO DIRECTORS' REPORT (Contd.)****(g) Excess amount for set off, if any: ₹ 39,15,181**

| Sl. No. | Particular | Amount (in ₹) |
|----------------|---|----------------------|
| (i) | Two percent of average net profit of the Company as per section 135(5) | ₹ 44,70,262/- |
| (ii) | Total amount spent for the Financial Year | ₹ 83,85,443 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | ₹ 39,15,181 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | ₹ 39,15,181 |

9. (a) Details of Unspent CSR amount for the preceding three financial years: N.A

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) : N.A.

**For and on behalf of the Board of Directors
UTI Retirement Solutions Limited**

Imtaiyazur Rahman
Chairman & Director
DIN:01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN: 01846261

Date: 18th April, 2023

Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UTI RETIREMENT SOLUTIONS LIMITED

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of UTI RETIREMENT SOLUTIONS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive Income), the statement of Cash Flow and the statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and notes to financial statement and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matter

Revenue Recognition: Investment Management Fee

Refer to the accounting policies in the financial statements.

Significant Accounting Policy 2.3 - Revenue Recognition and Note 2.3 to the financial statements – Revenue from Operations

| Key audit matter | How the matter was addressed in our audit |
|---|--|
| <p>Management fee is the most significant account balance in the statement of profit and loss.</p> <p>We have identified revenue from management fees as a key audit matter since –</p> <ul style="list-style-type: none"> – There are No inherent risks in computation of management fees due to system taken input of key contractual terms and computation of applicable Assets Under Management ("AUM"), which could result in no errors. – Management fees are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS Trust (National Pension System Trust). | <p>Our audit procedures included the following:</p> <p>Testing of design and operating effectiveness of controls:</p> <ul style="list-style-type: none"> • Understood and evaluated the design and implementation of management controls and other key controls relating to recognition of management fee. • Test checked the operating effectiveness of management controls, and other key controls over recognition of management fee. • Involved our information technology ("IT") specialists to test general information technology controls of the systems used for computation and recording of management fees. Further, tested IT controls with respect to input and changes of management fee rates and logic of computation. <p>Substantive tests</p> <ul style="list-style-type: none"> • Evaluated recognition of revenue in respect of management fee based on the requirements of Ind AS 115. • Test checked management fee rates were approved by authorized personnel. |

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT (Contd.)

| Key audit matter | How the matter was addressed in our audit |
|------------------|--|
| | <ul style="list-style-type: none"> • Test checked key inputs into the IT systems back to source documents, and re-performed on a sample basis. • Test checked the management fee invoices and reconciled with the accounting records. • Test checked the receipts of management fee income in the bank statements. • Obtained and read the quarterly concurrent auditor reports on daily net assets value computation of the Management Fees. • Evaluated the adequacy of disclosures relating to the management fee in the financial statements. |

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and

application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

A further description of our responsibilities for the audit of the financial statements is included in "Appendix I" of this auditor's report.

For **BANSILAL SHAH & CO**

Chartered Accountants

FRN .No: 000384W

Place: Mumbai

Date: 18 April, 2023

UDIN: 23137144BGYD258661

Sahil Kothari

Partner

Membership No. : 137144

INDEPENDENT AUDITORS' REPORT (Contd.)

APPENDIX - I TO THE INDEPENDENT AUDITOR'S REPORT

Further description of our responsibilities for the audit of the financial statements as referred to in Auditor's Responsibilities for the Audit of the Financial Statements section of our report of even date to the members of UTI Retirement Solutions Limited on the financial statements for the year ended 31 March 2023

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to the financial

INDEPENDENT AUDITORS' REPORT (Contd.)

statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

- (B) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations (Which is Nil) as on at 31 March 2023 on its financial position in its financial statements as NIL
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
 - e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the auditor's report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

INDEPENDENT AUDITORS' REPORT (Contd.)

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of UTI RETIREMENT SOLUTIONS LIMITED on the financial statements for the year ended March 31, 2023]

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noted on such verification.
- (c) The company has no immovable properties.
- 2) The Company is not a manufacturing or trading concern and is thereby having no inventory. Accordingly, the provision of this clause of the Order is not applicable to the Company and hence not commented upon.
- 3) The Company has not made Investment, granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) The provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security are not applicable.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The maintenance of cost records as prescribed by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, that an appeal filed with CIT(A) for A.Y.2013-14. decided in favour of the company and balance of TDS INR 17,64,594/- and thereon Interest is receivable.
- 8) In our opinion and according to the information and explanations given to us, the Company has not taken loans or borrowed money or guarantees from financial institutions, banks, and government and debenture holders during the year.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided subject to the ratification by shareholders in General Meeting in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or

INDEPENDENT AUDITORS' REPORT (Contd.)

private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **BANSILAL SHAH & Co.**
Chartered Accountants
FRN.000384 W

Place: Mumbai

Date: 18th April 2023

UDIN : 23137144BGYD258661

sahil kothari

Partner

Membership No. : 137144

INDEPENDENT AUDITORS' REPORT (Contd.)

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of UTI RETIREMENT SOLUTIONS LIMITED on the financial statements for the year ended March 31, 2023]

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

We have audited the internal financial controls over financial reporting of UTI RETIREMENT SOLUTIONS LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

INDEPENDENT AUDITORS' REPORT (Contd.)

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls

over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

For **BANSILAL SHAH & Co.**
Chartered Accountants
FRN.000384 W

Place: Mumbai
Date: 18th April 2023
UDIN : 23137144BGYD258661

SAHIL KOTHARI
Partner
Membership No. : 137144

BALANCE SHEET

AS AT 31ST MARCH, 2023

(₹ in '000)

| Particulars | Note No. | As at | As at |
|---|----------|-------------------------------|-------------------------------|
| | | 31st March, 2023 (Audited) | 31st March, 2022 (Audited) |
| I. ASSETS | | | |
| (1) Financial assets | | | |
| (a) Cash and cash equivalents | 3 | 5,057.35 | 22.03 |
| (b) Receivable | 4 | | |
| Trade receivables | | 98,456.29 | 87,682.78 |
| (c) Investments | 5 | 997,430.46 | 538,990.55 |
| (d) Other financial assets | 6 | 248,672.05 | 234,084.29 |
| Total Financial Assets | | 1,349,616.15 | 860,779.65 |
| (2) Non - financial assets | | | |
| (a) Current tax assets (Net) | 7 | 1,891.88 | 4,325.16 |
| (b) Property, plant and equipments | 8 | 26,183.03 | 28,539.94 |
| (c) Right of use assets | 9 | 21,000.60 | 26,591.57 |
| (d) Other Intangible assets | 10 | 3,151.90 | 3,240.89 |
| (e) Other non financial assets | 11 | 4,776.16 | 1,744.14 |
| Total Non Financial Assets | | 57,003.57 | 64,441.70 |
| TOTAL ASSETS | | 1,406,619.72 | 925,221.35 |
| II. LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| (1) Financial liabilities | | | |
| (a) (I) Trade payable | 12 | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditros other than micro enterprises and small enterprises | | 2,612.51 | 3,437.82 |
| (II) Other payable | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditros other than micro enterprises and small enterprises | | - | - |
| (b) Other financial liabilities | 13 | 22,665.98 | 26,958.48 |
| Total financial liabilities | | 25,278.49 | 30,396.30 |
| (2) Non- financial liabilities | | | |
| (a) Current tax liabilities (Net) | 14 | 2,382.88 | - |
| (b) Provisions | 15 | 22,220.78 | 13,814.25 |
| (c) Deferred tax liabilities (Net) | 16 | 4,979.57 | 4,962.49 |
| (d) Other non financial liabilities | 17 | 16,294.91 | 8,174.07 |
| Total non financial liabilities | | 45,878.14 | 26,950.81 |
| EQUITY | | | |
| Equity Share Capital | 18 | 220,000.00 | 220,000.00 |
| Other Equity | 19 | 1,115,463.09 | 647,874.24 |
| Total Equity | | 1,335,463.09 | 867,874.24 |
| TOTAL EQUITY AND LIABILITIES | | 1,406,619.72 | 925,221.35 |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For : **Bansil Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place : Mumbai
Date : 18th April 2023

UDIN NO. : 23137144BGYD258661

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Abhijeet Chavan
Company Secretary

Date : 18th April, 2023

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Shyamkumar Gupta
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in '000)

| Particulars | Note No. | Quarter Ended | | | Year ended | Year ended |
|---|---------------|-------------------|---------------------|-------------------|---------------------|-------------------|
| | | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | | (Reviewed) | (Reviewed) | (Reviewed) | (Audited) | (Audited) |
| Revenue from operations | 20 | | | | | |
| (i) Interest Income | | 3,816.76 | 3,352.23 | 3,181.35 | 13,691.44 | 10,753.97 |
| (ii) Net gain on fair value changes | | 7,112.86 | 1,790.67 | 3,803.01 | 2,564.78 | 8,894.57 |
| (iii) Sale of services | | 262,781.12 | 260,459.38 | 233,997.54 | 1,015,276.92 | 913,892.26 |
| (iv) Others - Net gain/loss on sale of investments | | 7,191.89 | 11,057.45 | 804.94 | 37,163.44 | 4,676.42 |
| (I) Total Revenue from operations | I | 280,902.63 | 276,659.73 | 241,786.84 | 1,068,696.58 | 938,217.22 |
| (II) Other Income | II | - | - | - | - | - |
| Total Income | III = (I+II) | 280,902.63 | 276,659.73 | 241,786.84 | 1,068,696.58 | 938,217.22 |
| Expenses | 22 | | | | | |
| (i) Net loss on fair value changes | | - | - | - | - | - |
| (ii) Employee Benefits Expenses | | 12,195.92 | 18,413.81 | 14,484.93 | 68,397.44 | 43,166.13 |
| (iii) Finance Costs | | 457.88 | 489.63 | 403.12 | 1,982.97 | 1,056.12 |
| (iv) Depreciation, amortisation and impairment | | 3,218.76 | 3,165.06 | 2,479.54 | 12,618.88 | 6,957.51 |
| (v) Other expenses | | 107,147.15 | 90,682.02 | 104,229.59 | 364,298.40 | 321,904.90 |
| Total Expenses | IV | 123,019.71 | 112,750.52 | 121,597.18 | 447,297.69 | 373,084.66 |
| Profit/(Loss) before exceptional items and tax | V = (III-IV) | 157,882.92 | 163,909.21 | 120,189.66 | 621,398.89 | 565,132.56 |
| Exceptional Items | VI | - | - | - | - | - |
| Profit Before Tax | VII = V-VI | 157,882.92 | 163,909.21 | 120,189.66 | 621,398.89 | 565,132.56 |
| Tax expenses | | | | | | |
| Current tax | | 40,195.33 | 40,890.97 | 28,802.97 | 156,695.21 | 139,392.53 |
| Tax Adjustments for earlier years | | 0.03 | - | - | (24.35) | 2.32 |
| Deferred tax | | 1,774.32 | 238.47 | 1,221.27 | 17.08 | 2,367.58 |
| Total tax expenses | VIII | 41,969.68 | 41,129.44 | 30,024.24 | 156,687.94 | 141,762.43 |
| Profit for the year | IX = VII-VIII | 115,913.24 | 122,779.77 | 90,165.42 | 464,710.95 | 423,370.13 |
| Other Comprehensive Income | | | | | | |
| A (i) Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement of defined benefit liability (asset) | | - | - | - | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - | - | - | - |
| B (i) Items that will be reclassified to profit or loss | | - | - | - | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - | - | - | - |
| | X | - | - | - | - | - |
| Total comprehensive Income for the year | XI = IX+X | 115,913.24 | 122,779.77 | 90,165.42 | 464,710.95 | 423,370.13 |
| Earning per equity share | XII | | | | | |
| Basic (in ₹) (Refer Note 23) | | 5.27 | 5.58 | 4.10 | 21.12 | 19.24 |
| Diluted (in ₹) (Refer Note 23) | | 5.27 | 5.58 | 4.10 | 21.12 | 19.24 |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
 For : **Bansilal Shah & Co.**
 Chartered Accountants
 Firm Registration Number: 000384W

Sahil Kothari
 Partner
 Membership no.: 137144

Place : Mumbai
 Date : 18th April, 2023

UDIN NO. : 23137144BGYD258661

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
 Chairman & Director
 DIN: 01818725

Abhijeet Chavan
 Company Secretary

Date : 18th April, 2023

Balram P. Bhagat
 CEO & Whole Time Director
 DIN : 01846261

Shyamkumar Gupta
 Chief Financial Officer

**NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023**

(₹ in '000)

| Particulars | Note No. | As at 31st March, 2023 (Audited) | | | As at 31st March, 2022 (Audited) | | |
|---|----------|----------------------------------|-------------------|---------------------|----------------------------------|-------------------|-------------------|
| | | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Maturity Analysis of Assets and Liabilities | | | | | | | |
| The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled | | | | | | | |
| I. ASSETS | | | | | | | |
| (1) Financial assets | | | | | | | |
| (a) Cash and cash equivalents | 3 | 5,057.35 | - | 5,057.35 | 22.03 | - | 22.03 |
| (b) Receivable | 4 | | | | | | |
| (i) Trade receivables | | 98,456.29 | - | 98,456.29 | 87,682.78 | - | 87,682.78 |
| (c) Investments | 5 | 997,430.46 | - | 997,430.46 | 538,990.55 | - | 538,990.55 |
| (d) Other financial assets | 6 | 115,968.35 | 132,703.70 | 248,672.05 | - | 234,084.29 | 234,084.29 |
| Total Financial Assets | | 1,216,912.45 | 132,703.70 | 1,349,616.15 | 626,695.36 | 234,084.29 | 860,779.65 |
| (2) Non - financial assets | | | | | | | |
| (a) Current tax assets (Net) | 7 | - | 1,891.88 | 1,891.88 | - | 4,325.16 | 4,325.16 |
| (b) Property, plant and equipments | 8 | - | 26,183.03 | 26,183.03 | - | 28,539.94 | 28,539.94 |
| (c) Right of use assets | 9 | - | 21,000.60 | 21,000.60 | - | 26,591.57 | 26,591.57 |
| (d) Other Intangible assets | 10 | - | 3,151.90 | 3,151.90 | - | 3,240.89 | 3,240.89 |
| (e) Other non financial assets | 11 | 4,776.16 | - | 4,776.16 | 1,744.14 | - | 1,744.14 |
| Total Non Financial Assets | | 4,776.16 | 52,227.41 | 57,003.57 | 1,744.14 | 62,697.56 | 64,441.69 |
| TOTAL ASSETS | | 1,221,688.61 | 184,931.11 | 1,406,619.71 | 628,439.50 | 296,781.84 | 925,221.34 |
| II. LIABILITIES AND EQUITY | | | | | | | |
| LIABILITIES | | | | | | | |
| (1) Financial liabilities | | | | | | | |
| (a) (I) Trade payable | 12 | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,612.51 | - | 2,612.51 | 3,437.82 | - | 3,437.82 |
| (II) Other payable | | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - | - | - | - | - |
| (b) Other financial liabilities | 13 | 4,962.78 | 17,703.20 | 22,665.98 | 4,292.50 | 22,665.98 | 26,958.48 |
| Total financial liabilities | | 7,575.29 | 17,703.20 | 25,278.49 | 7,730.32 | 22,665.98 | 30,396.30 |
| (2) Non- financial liabilities | | | | | | | |
| (a) Current tax liabilities (Net) | 14 | 2,382.88 | - | 2,382.88 | - | - | - |
| (b) Provisions | 15 | 22,220.78 | - | 22,220.78 | 13,814.25 | - | 13,814.25 |
| (c) Deferred tax liabilities (Net) | 16 | - | 4,979.57 | 4,979.57 | - | 4,962.49 | 4,962.49 |
| (d) Other non financial liabilities | 17 | 16,294.91 | - | 16,294.91 | 8,174.07 | - | 8,174.07 |
| Total non financial liabilities | | 40,898.57 | 4,979.57 | 45,878.14 | 21,988.32 | 4,962.49 | 26,950.81 |
| TOTAL LIABILITIES | | 48,473.86 | 22,682.77 | 71,156.63 | 29,718.64 | 27,628.47 | 57,347.11 |

Summary of significant accounting policies 2

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in '000)

| | for the period ended 31st March, 2023 (Audited) | for the period ended 31st March, 2022 (Audited) |
|--|--|--|
| INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit & Loss Before Taxation | 621,398.89 | 565,132.56 |
| Adjustment for | | |
| Depreciation and amortisation expense | 12,618.88 | 6,957.51 |
| Interest income | (13,691.44) | (10,753.97) |
| Finance Costs | 1,982.97 | 1,056.12 |
| Expenses on the employee stock option scheme | 2,877.90 | 3,337.13 |
| (Profit) / Loss on sale of investment | (37,163.44) | (4,676.42) |
| (Profit) / Loss on fair value changes | (2,564.78) | (8,894.57) |
| Operating Profit Before Working Capital Changes | 585,458.98 | 552,158.36 |
| Adjustment for changes in working capital | | |
| (Increase)/ Decrease in Other non financial assets | (3,032.02) | (957.94) |
| (Increase)/ Decrease in financial assets trade receivable | (10,773.51) | (42,610.96) |
| Increase/ (Decrease) in financials liabilities | (5,117.81) | 22,168.81 |
| Increase/ (Decrease) in Other Non financial liabilities | 8,120.84 | 1,932.35 |
| Increase/ (Decrease) in Non financial liabilities - Provisions | 8,406.53 | 5,924.23 |
| | (2,395.97) | (13,543.51) |
| Cash Generated from Operations | 583,063.01 | 538,614.85 |
| Add/(Less) : Income Tax Paid | 151,854.70 | 139,047.46 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 431,208.31 | 399,567.39 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| (Purchase) / Sale of Property, plant and equipments/ Other Intangible assets | (5,532.34) | (29,533.40) |
| (Purchase) / Sale of Right of use assets | - | (29,323.88) |
| Investment made during the Year | (1,955,402.91) | (1,182,721.33) |
| Investment sold during the Year | 1,536,691.23 | 841,821.28 |
| Interest income Received during the Year | (1,928.97) | 189.29 |
| Net cash generated from Investing Activities | (426,172.99) | (399,568.04) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | - | - |
| Net cash generated from Financing Activities | - | - |
| Net Increase/ (Decrease) in Cash and cash equivalent | 5,035.32 | (0.65) |
| Opening Cash and cash equivalents | 22.03 | 22.68 |
| Closing Cash and cash equivalents | 5,057.35 | 22.03 |
| Components of Cash and cash equivalent | | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| On current accounts | 5,057.35 | 22.03 |
| Cash on hand | - | - |
| Other bank balances | | |
| Deposits with original maturity for more than 12 months | - | - |
| | 5,057.35 | 22.03 |

Note: Cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard 7 "Cash Flow Statements".

As per our Report of even date
For : **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place : Mumbai
Date : 18th April, 2023

UDIN NO. : 23137144BGYD258661

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Abhijeet Chavan
Company Secretary

Date : 18th April, 2023

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Shyamkumar Gupta
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

| | (₹ in '000) | | | | | | | | | |
|--|---|--|---|--|---|--|---|--|---|--|
| Balance at the beginning of the reporting period i.e. 31st March, 2018 | Changes in equity share capital during FY 2018-19 | Balance at the end of the reporting period i.e. 31st March, 2019 | Changes in equity share capital during FY 2019-20 | Balance at the end of the reporting period i.e. 31st March, 2020 | Changes in equity share capital during FY 2020-21 | Balance at the end of the reporting period i.e. 31st March, 2021 | Changes in equity share capital during FY 2021-22 | Balance at the end of the reporting period i.e. 31st March, 2022 | Changes in equity share capital during FY 2022-23 | Balance at the end of the reporting period i.e. 31st March, 2023 |
| 220,000 | - | 220,000 | - | 220,000 | - | 220,000 | - | 220,000 | - | 220,000 |

B. OTHER EQUITY

| | (₹ in '000) | | | | | | | | | |
|--|---|---|---|---------------------|--------------------------|---|---------------|-------------------------------|---|--|
| Particulars | Balance at the beginning of the Reporting period (01st April, 2021) | Changes in accounting policy or prior period errors | Restated balance at the beginning of the reporting period | Profit for the year | Addition During the year | Other comprehensive income for the year | Dividends | Transfer to retained earnings | Balance at the end of the Reporting period (31st March, 2022) | Figures at the beginning of the previous Reporting period (01st April, 2020) |
| Reserves and Surplus | 1 | 2 | 3 = (1+2) | 4 | 5 | 6 | 7 = (3+4-5-6) | 8 | | |
| (i) General Reserve | - | - | - | - | - | - | - | - | - | - |
| (ii) Security Premium Reserve | - | - | - | - | - | - | - | - | - | - |
| (iii) Share option outstanding account | 4,433.48 | - | 4,433.48 | - | 3,337.14 | - | - | - | 7,770.62 | - |
| (iv) Retained Earnings | 216,733.49 | - | 216,733.49 | 423,370.13 | - | - | - | - | 640,103.62 | 178,906.84 |
| Total | 221,166.97 | - | 221,166.97 | 423,370.13 | 3,337.14 | - | - | - | 647,874.24 | 178,906.84 |

| | (₹ in '000) | | | | | | | | | |
|--|---|---|---|-----------------------|----------------------------|---|---------------|-------------------------------|---|--|
| Particulars | Balance at the beginning of the Reporting period (01st April, 2022) | Changes in accounting policy or prior period errors | Restated balance at the beginning of the reporting period | Profit for the period | Addition During the period | Other comprehensive income for the period | Dividends | Transfer to retained earnings | Balance at the end of the Reporting period (31st March, 2023) | Figures at the beginning of the previous Reporting period (01st April, 2021) |
| Reserves and Surplus | 1 | 2 | 3 = (1+2) | 4 | 5 | 6 | 7 = (3+4-5-6) | 8 | | |
| (i) General Reserve | - | - | - | - | - | - | - | - | - | - |
| (ii) Security Premium Reserve | - | - | - | - | - | - | - | - | - | - |
| (iii) Share option outstanding account | 7,770.62 | - | 7,770.62 | - | 2,877.90 | - | - | - | 10,648.52 | 4,433.48 |
| (iv) Retained Earnings | 640,103.62 | - | 640,103.62 | 464,710.95 | - | - | - | - | 1,104,814.57 | 216,733.49 |
| Total | 647,874.24 | - | 647,874.24 | 464,710.95 | 2,877.90 | - | - | - | 1,115,463.09 | 221,166.97 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023:

1 CORPORATE INFORMATION:

UTI Retirement Solutions Limited. ("the Company") is a wholly owned subsidiary of UTI Asset Management Co. Limited. incorporated on 14th December, 2007 under Companies Act, 1956.

UTI Asset Management Company Limited. (UTI AMC Limited.) was appointed by Pension Fund Regulatory & Development Authority (PFRDA) as sponsor of Pension Fund in 2007 for managing pension assets of Government Employees. Accordingly, UTI AMC Limited. as per the terms and conditions of the Request for Proposal (RFP), incorporated 'UTI Retirement Solutions Limited' (UTI RSL) on 14th December 2007 exclusively for undertaking Pension Fund Management activity under National Pension System (NPS). Later in 2009, UTI AMC Limited. was also appointed as sponsor of Pension Fund for managing private sector pension assets under NPS. As on 31st March, 2023 UTI RSL manages 14 schemes (2 Schemes under Govt. Sector and 12 Schemes under Private Sector and Atal Pension Yojana).

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The corporate office of the Company is located at First Floor, Unit No. 2, Block "B", JVPD Scheme, Gulmohar Cross Road No. 9, Andheri (West), Mumbai 400049.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Preparation & Presentation of Financial Statements:

(a) Statement of compliance

The Company's Financial Statements have been prepared in accordance with the provision of the Companies Act, 2013 and the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (India Accounting Standards) Rules, 2015 and Companies (India Accounting Standards) Amendment Rules 2016. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment. The Financials for the year ended 31st March, 2019 of the Company are the first financial statements prepared in compliance with Ind AS.

(b) Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly
- Level 3 — inputs are unobservable inputs for the valuation of assets/liabilities.

(c) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements.

The Financial Statements are presented in Indian Rupees, rounded off to nearest thousand up to two decimal places unless otherwise indicated.

2.2 Use of Estimates & Judgments:

2.2A: Key sources of estimation:

The preparation of financial statements require the management of the Company to make estimation and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provision for loans & advances,

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

provision for accrued benefits to employees, provision for income tax, provision for write back of diminution in the value of investment and the useful life of Property, Plant and Equipments. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognised prospectively in the current and future periods.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, impairment, provision for income tax, measurement of deferred tax assets and contingent assets and liabilities, fair value measurement etc.

2.2B: Adoption of new accounting standard on Leases – Ind AS 116

1. Leases

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. Lease liabilities and right of use of assets were both recorded at the present value of future lease payments, thus no impact was recorded on the opening retained earnings.

A. Significant accounting policy

Policy applicable from 1st April, 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct

or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; — the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1st April, 2019. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

i. As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

uses its incremental borrowing rate as the discount rate viz. 8.15%.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of DG Set that have a lease term of 12 months or less and leases of low-value assets, including IT equipments.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 1st January, 2022 using the modified retrospective method II. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. 1st January, 2022. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of ₹ 27,970,170 and a lease liability of ₹ 27,970,170. Since the Company has adopted modified approach II, there is no impact arises in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

Under Ind AS 17

In the comparative period, as a lessee the Company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

2.3 Revenue Recognition:

Management fees are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS Trust (National Pension System Trust).

Management Fees has been revised by PFRDA via Letter Ref No. File No. PFRDA/16/3/02/ 0001/2020-REG-PF dated 30th March, 2021 from 0.0102% of Average AUM to New Slab rate of the daily closing AUM.

| Slab of AUM | Maximum Investment Management Fees Permissible Under PFRDA Guideline |
|-------------------------|--|
| Up to 10,000 crores | 0.07% |
| 10,001 - 50,000 crores | 0.06% |
| 50,001 – 150,000 crores | 0.05% |
| Above 150,000 crores | 0.03% |

The Company provides 'Point of Presence' service to NPS subscribers, for which the Company receives service charges which is generally a fixed amount per application or amount specified in the agreement and the fee is recognised on an accrual basis.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

Interest income are accounted on accrual basis.

2.4 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognised in the Statement of Profit and Loss when the asset is disposed.

The Company has elected to adopt the written down values of Plant, Property & Equipments as their fair value as permitted by IND AS.

The Company provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

| Description of Assets | Useful Lives in years | |
|-----------------------|--------------------------------|---|
| | As per the Companies Act, 2013 | As per management's estimate |
| Leasehold Property | As per Lease Agreement | 5 Years (As per Executed Lease Agreement) |
| Server & Network | 6 | 6 |
| Computer & Laptop | 3 | 3 |
| Office Equipment | 5 | 5 |
| Furniture | 10 | 10 |
| Vehicle ** | 8 | 6 |

*In order to determine the useful life of Leasehold Property, the Company has considered the total useful life according to the terms of the lease agreement executed as on 1st January, 2022.

The Company, based on executed Lease Agreement, useful life on leasehold Property has been considered for 5 years only.

** Management believes that the useful life of asset reflect the year over which it is expected to be used.

Assets costing individually ₹ 5,000 or less are depreciated at the rate of 100% on pro-rata basis.

Considering the materiality aspect, residual value 5 % of the cost has been taken only for Leasehold Property.

2.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss.

2.6 Investments and Other Financial Assets:

1. Initial recognition and measurement

Financial assets, with the exception of loans, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans are recognised when funds are transferred to the customers' account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit

or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Accordingly, initial recognition of Investments in Mutual Funds shall be recognised at fair value.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2. Subsequent recognition and measurement

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- FVOCI (Fair value through other comprehensive income).
- FVTPL (Fair value through profit and loss).

As per Ind AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

are not held for trading. Debt instruments that do not meet the amortised cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortised cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "Other income" line item. The transaction cost directly attributable to the acquisition of financial asset at fair value through profit and loss is immediately recognised to profit and loss.

Accordingly, investments in Mutual Funds will be measured at fair value through profit & loss.

3. De-recognition

The Company has transferred its rights to receive cash flows from the asset or the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in profit or loss.

4. Impairment

In accordance with Ind AS at each reporting date, the Company assesses whether financial assets carried in the books are credit-impaired. Financial assets are said to be credit impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

This process also includes, whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (company of assets that generates identified, independent

cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

5. Treatment of Investments which are to be carried at fair value

The difference between the cost and fair value of investments as at 31st March, 2016 is adjusted in Other Equity as on 1st April, 2016. Any change in fair value of investments thereafter is transferred to Statement of Profit & Loss, thereby not affecting the reserves.

Also, any profit or loss on sale of investments is transferred to P&L except to the extent it was transferred to P&L for presentation at fair value.

2.7 Financial Liabilities:

1. Initial recognition and measurement

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

All financial liabilities are recognised initially at fair value.

2. Subsequent recognition and measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts, if not designated as at FVTPL, are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative income amortisation, whichever is higher.

3. De-recognition

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

2.8 Employee Benefits Expenses:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia payments.

Share-based payment transactions:

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 31, 32 and 33.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.9 Cash & Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.10 Scheme Expenses:

The detail of Scheme Expenses are as follows :

| (₹ in '000) | | |
|-----------------------------|---------------------------------|---------------------------------|
| Particulars | For Year Ended 31st March, 2023 | For Year Ended 31st March, 2022 |
| PFRDA Annual Fees | 320,167.37 | 270,973.32 |
| Brokerage | 670.60 | 710.40 |
| Audit Fees | 1,122.00 | 1,020.00 |
| Valuation Fees – NAV | 326.25 | 369.40 |
| Mpower Software AMC Charges | 525.00 | 525.00 |

(₹ in '000)

| Particulars | For Year Ended 31st March, 2023 | For Year Ended 31st March, 2022 |
|-----------------------------|---------------------------------|---------------------------------|
| Oracle Software AMC Charges | 815.64 | 866.65 |
| Bloomberg Terminal Charges | 4,087.96 | 1,678.70 |
| NSE Cogencis Charges | 1,632.10 | 0.00 |
| Other Expense | 1,373.30 | 1,016.12 |
| TOTAL | 330,720.22 | 277,159.59 |

PFRDA Fees has been revised by the PFRDA Authority in the FY 2021-22. The revised fees are payable on the quarterly basis in advance @ 0.00375% (yearly 0.015%) of the last quarter closing balance of AUM. Previously, it has been payable on advance but yearly basis @ 0.005% of the previous year closing balance of AUM.

2.11 Taxes on Income:

The tax expense for the year comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax:

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax:

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised for all deductible timing differences; carry forward of unused tax assets and unused tax losses only if there is reasonable virtual certainty that such deferred tax assets can be realised against future liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12 Contingencies & Provisions:

In accordance with Ind AS 37, provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

2.13 Impairment of Assets (Other than Financial Assets):

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

2.14 Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

3 CASH AND CASH EQUIVALENTS

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------------|---------------------------|---------------------------|
| Cash on hand | - | - |
| Balance with Bank | 5,057.35 | 22.03 |
| Cheques, drafts on hand | - | - |
| | 5,057.35 | 22.03 |

4 RECEIVABLE

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Trade receivables | | |
| Outstanding for a period not exceeding six months from the date they are due for payment (Unsecured, considered good) | | |
| Management Fee Receivable | 98,320.25 | 87,682.78 |
| Other Receivables | 136.04 | - |
| | 98,456.29 | 87,682.78 |
| Others (Unsecured, considered good) | - | - |
| | 98,456.29 | 87,682.78 |

5 INVESTMENTS

(₹ in '000)

| Details of Investments | | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---|---------------------------|---------------------------|
| Investments in units of mutual fund schemes (Unquoted) | | | |
| Measured at Fair Value through Statement of Profit and Loss | | | |
| 1 | NIL (31 March 2022:50,00,000 Units of Cost ₹ 10 each) in UTI Fixed Term Income Fund Series XXXII - I (1126 days) - Direct Growth Plan | - | 62,137.50 |
| 2 | 35,53,248.59 Units of Cost ₹ 13.1947 each (31st March, 2022:1,11,56,382.443 Units of Cost ₹ 13.0785 each) in UTI Corporate Bond Fund - Direct Growth Plan | 49,747.97 | 149,527.88 |
| 3 | 25,658.642 Units of Cost ₹ 3678.2709 each (31st March, 2022:64,859.483 Units of Cost ₹ 3467.2289 each) in UTI Liquid Cash Plan - Direct Plan - Growth | 94,665.18 | 226,232.62 |
| 4 | NIL (31st March, 2022:80,332.658 Units of Cost ₹ 1244.8237 each) in UTI Floater Fund - Direct Plan Growth | - | 101,092.55 |
| 5 | 54,99,725.014 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Gilt Fund with 10 year Constant Duration - Direct Plan Growth | 57,692.12 | - |
| 6 | 10,31,585.284 Units of Cost ₹ 29.0815 each (31st March, 2022:Nil) in UTI Fixed Income Interval Fund - I- Annual Interval Plan- Retail Option - Direct Plan Growth | 30,912.38 | - |
| 7 | 96,25,848.061 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI CRISIL SDL Maturity April 2033 Index Fund - Direct Plan Growth | 97,712.95 | - |
| 8 | 2,49,98,750.062 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Fixed Term Income Fund - Series XXXV - I (1260 days) - Direct Plan Growth | 256,777.16 | - |
| 9 | 2,04,12,942.033 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Fixed Term Income Fund – Series XXXV – II (1223 days) - Direct Plan Growth | 207,491.43 | - |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

(₹ in '000)

| Details of Investments | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| 10 19,99,900.005 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI CRISIL SDL Maturity June 2027 Index Fund - Direct Plan - Growth | 20,319.98 | - |
| 11 49,99,750.012 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Fixed Term Income Fund – Series XXXV – III (1176 days) - Direct Plan - Growth | 50,597.47 | - |
| 12 49,99,750.012 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Fixed Term Income Fund – Series XXXVI – I (1574 days) - Direct Plan - Growth | 50,733.96 | - |
| 13 29,99,850.007 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Long Duration Fund - Direct Plan - Growth | 30,188.39 | - |
| 14 49,99,750.012 Units of Cost ₹ 10.0005 each (31st March, 2022:Nil) in UTI Nifty SDL Plus AAA PSU Bond Apr 2026 75:25 Index Fund - Direct Plan - Growth | 50,591.47 | - |
| | 997,430.46 | 538,990.55 |
| Aggregate value of quoted investments | - | - |
| Aggregate value of unquoted investments | 997,430.46 | 538,990.55 |

| Details of Investments | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Category-wise investment | | |
| Financial asset carried at amortised cost | - | - |
| Financial assets measured at cost | - | - |
| Financial assets measured at fair value through other comprehensive income | - | - |
| Financial assets measured at fair value through Statement of Profit & Loss | 997,430.46 | 538,990.55 |
| Total investment | 997,430.46 | 538,990.55 |

6 OTHER FINANCIAL ASSETS

(₹ in '000)

| Other Financial Assets | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Receivable from UTI Mutual Fund | - | - |
| VSS Liability Fund | - | - |
| Investor Education & Protection Fund | - | - |
| Offshore Development Fund | - | - |
| (a) | - | - |
| Other Bank balances | | |
| Fixed Deposits with Bank | 224,548.75 | 222,548.75 |
| (b) | 224,548.75 | 222,548.75 |
| Deposits pledged with bank against Bank guarantee. | | |
| Deposits with a carrying amount of ₹ 20 lakhs (previous year ₹ NIL) are held in pledge against Performance bank guarantee to Pension Fund Regulatory and Development Authority (PFRDA) | | |
| Others | | |
| Interest accrued on fixed deposits | 24,123.30 | 11,535.54 |
| (c) | 24,123.30 | 11,535.54 |
| Total = (a)+(b)+(c) | 248,672.05 | 234,084.29 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

7 CURRENT TAX ASSETS (NET)

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Advance Income-tax (Net of provision for tax) | 1,891.88 | 4,325.16 |
| | 1,891.88 | 4,325.16 |

8 PROPERTY, PLANT AND EQUIPMENTS

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------------------------|---------------------------|----------------------------|---------------------------------------|---|---------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2021) | Additions during the year | Deductions during the year | Closing Cost (As at 31st March, 2022) | Opening Accumulated Depreciation (As at 01st April, 2021) | for the year | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Tangible Assets | | | | | | | | | | |
| Furniture & Fixtures | - | 6,958.54 | - | 6,958.54 | - | 91.46 | - | 91.46 | 6,867.08 | - |
| Building | - | 12,425.79 | - | 12,425.79 | - | 310.30 | - | 310.30 | 12,115.49 | - |
| Office Equipment | 61.03 | 7,134.46 | - | 7,195.49 | 61.03 | 168.97 | - | 230.00 | 6,965.49 | - |
| IT Equipment - Computers | 27.99 | - | - | 27.99 | 27.99 | - | - | 27.99 | - | - |
| Computer & Laptop | 93.01 | 968.65 | - | 1,061.66 | 14.36 | 95.44 | - | 109.80 | 951.86 | 78.65 |
| Server | - | 1,915.40 | - | 1,915.40 | - | 275.38 | - | 275.38 | 1,640.02 | - |
| | 182.03 | 29,402.84 | - | 29,584.87 | 103.38 | 941.55 | - | 1,044.93 | 28,539.94 | 78.65 |

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------------------------|---------------------------|----------------------------|---------------------------------------|---|-----------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2022) | Additions during the year | Deductions during the year | Closing Cost (As at 31st March, 2023) | Opening Accumulated Depreciation (As at 01st April, 2022) | for the year | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Tangible Assets | | | | | | | | | | |
| Furniture & Fixtures | 6,958.54 | 133.22 | - | 7,091.76 | 91.46 | 707.00 | - | 798.46 | 6,293.30 | 6,867.08 |
| Building | 12,425.79 | - | - | 12,425.79 | 310.30 | 2,359.61 | - | 2,669.91 | 9,755.88 | 12,115.49 |
| Office Equipment | 7,195.49 | 93.68 | - | 7,289.17 | 230.00 | 1,441.00 | - | 1,671.00 | 5,618.17 | 6,965.49 |
| IT Equipment - Computers | 27.99 | - | - | 27.99 | 27.99 | - | - | 27.99 | - | - |
| Computer & Laptop | 1,061.66 | 815.94 | - | 1,877.60 | 109.80 | 490.04 | - | 599.84 | 1,277.76 | 951.86 |
| Server | 1,915.40 | 1,977.92 | - | 3,893.32 | 275.38 | 380.02 | - | 655.40 | 3,237.92 | 1,640.02 |
| | 29,584.87 | 3,020.76 | - | 32,605.63 | 1,044.93 | 5,377.67 | - | 6,422.60 | 26,183.03 | 28,539.94 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
9 RIGHT OF USE ASSETS

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|-----------------|---------------------------------------|---------------------------|----------------------------|---------------------------------------|---|-----------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2021) | Additions during the year | Deductions during the year | Closing Cost (As at 31st March, 2022) | Opening Accumulated Depreciation (As at 01st April, 2021) | for the year | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Leased Premises | 5,164.41 | 40,167.13 | 17,361.37 | 27,970.17 | 3,444.51 | 4,452.21 | 6,518.12 | 1,378.60 | 26,591.57 | 1,719.90 |
| | 5,164.41 | 40,167.13 | 17,361.37 | 27,970.17 | 3,444.51 | 4,452.21 | 6,518.12 | 1,378.60 | 26,591.57 | 1,719.90 |

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|-----------------|---------------------------------------|---------------------------|----------------------------|---------------------------------------|---|-----------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2022) | Additions during the year | Deductions during the year | Closing Cost (As at 31st March, 2023) | Opening Accumulated Depreciation (As at 01st April, 2022) | for the year | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Leased Premises | 27,970.17 | - | - | 27,970.17 | 1,378.60 | 5,590.97 | - | 6,969.57 | 21,000.60 | 26,591.57 |
| | 27,970.17 | - | - | 27,970.17 | 1,378.60 | 5,590.97 | - | 6,969.57 | 21,000.60 | 26,591.57 |

10 OTHER INTANGIBLE ASSETS

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------------------------|---------------------------|----------------------------|---------------------------------------|---|-----------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2021) | Additions during the year | Deductions during the year | Closing Cost (As at 31st March, 2022) | Opening Accumulated Depreciation (As at 01st April, 2021) | for the year | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Computer Software | | | | | | | | | | |
| Mpower | 4,347.30 | - | - | 4,347.30 | 4,347.30 | - | - | 4,347.30 | - | - |
| Tally | 13.50 | - | - | 13.50 | 13.50 | - | - | 13.50 | - | - |
| MS Office | 68.45 | - | - | 68.45 | 68.45 | - | - | 68.45 | - | - |
| Oracle | 4,678.35 | - | - | 4,678.35 | 4.27 | 1,558.03 | - | 1,562.30 | 3,116.05 | 4,674.08 |
| iApp Software | - | 130.56 | - | 130.56 | - | 5.72 | - | 5.72 | 124.84 | - |
| | 9,107.60 | 130.56 | - | 9,238.16 | 4,433.52 | 1,563.75 | - | 5,997.27 | 3,240.89 | 4,674.08 |

(₹ in '000)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------------------------|-----------------------------|------------------------------|---------------------------------------|---|-----------------|---|---|------------------------|------------------------|
| | Opening Cost (As at 01st April, 2022) | Additions during the period | Deductions during the period | Closing Cost (As at 31st March, 2023) | Opening Accumulated Depreciation (As at 01st April, 2022) | for the period | Deductions/ Adjustments during the period | Closing Accumulated Depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Computer Software | | | | | | | | | | |
| Mpower | 4,347.30 | - | - | 4,347.30 | 4,347.30 | - | - | 4,347.30 | - | - |
| Tally | 13.50 | - | - | 13.50 | 13.50 | - | - | 13.50 | - | - |
| MS Office | 68.45 | - | - | 68.45 | 68.45 | - | - | 68.45 | - | - |
| Oracle | 4,678.35 | - | - | 4,678.35 | 1,562.30 | 1,558.03 | - | 3,120.33 | 1,558.02 | 3,116.05 |
| iApp Software | 130.56 | - | - | 130.56 | 5.72 | 43.48 | - | 49.20 | 81.36 | 124.84 |
| Firewall | - | 1,456.05 | - | 1,456.05 | - | 45.45 | - | 45.45 | 1,410.60 | - |
| Syslog | - | 12.46 | - | 12.46 | - | 0.39 | - | 0.39 | 12.07 | - |
| VPN | - | 92.75 | - | 92.75 | - | 2.90 | - | 2.90 | 89.85 | - |
| | 9,238.16 | 1,561.26 | - | 10,799.42 | 5,997.27 | 1,650.25 | - | 7,647.52 | 3,151.90 | 3,240.89 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

11 OTHER NON FINANCIAL ASSETS

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------------------|---------------------------|---------------------------|
| Capital advances | 1,246.53 | - |
| (a) | 1,246.53 | - |
| Other Assets | | |
| Prepaid expenses | 3,529.63 | 1,744.14 |
| Goods and Service Tax receivable | - | - |
| Service tax credit receivable | - | - |
| (b) | 3,529.63 | 1,744.14 |
| Total = (a)+(b) | 4,776.16 | 1,744.14 |

12 (A) FINANCIAL LIABILITIES

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Borrowings | | |
| (Secured, considered good) | | |
| (I) Trade Payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 2,612.51 | 3,437.82 |
| | 2,612.51 | 3,437.82 |
| (II) Other payable | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| Payable to UTI AMC | - | - |
| Other payables | - | - |
| | - | - |

In the opinion of the management, the balances of trade payables are stated at book value and payable.

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

13 OTHER FINANCIAL LIABILITIES

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------|---------------------------|---------------------------|
| Lease liability * | 22,665.98 | 26,958.48 |
| | 22,665.98 | 26,958.48 |

* Lease Liability is created on account of implementation on IND AS 116 for leased premises

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
14 CURRENT TAX LIABILITIES (NET)

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Provision for Income Tax (Net of Advance tax) | 2,382.88 | - |
| | 2,382.88 | - |

15 PROVISIONS

(₹ in '000)

| Provisions | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| Provision for performance bonus/incentive | 18,500.00 | 12,000.00 |
| | 18,500.00 | 12,000.00 |
| Other provisions | | |
| Provision for Audit Fees | 886.50 | 641.25 |
| Provision for Scheme Audit Fees | 1,009.80 | 918.00 |
| Provision for Professional Charges | 517.50 | 0.00 |
| Provision for POP Agents Commission | 200.00 | 0.00 |
| Provision for Valuation Charges | 162.00 | 90.00 |
| Provision for Review of Internal Financial Controls over Financial Reporting | 112.50 | 90.00 |
| Provision for Audit Expenses | 40.00 | 40.00 |
| Provision for ROC Matters | 30.00 | 30.00 |
| Provision for Electricity and Water Charges | 200.00 | - |
| Provision for Miscellaneous Expenses | 562.48 | 5.00 |
| | 3,720.78 | 1,814.25 |
| Total | 22,220.78 | 13,814.25 |

16 DEFERRED TAX LIABILITY (NET)

(₹ in '000)

| Provisions | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| i) Deferred tax liability: | | |
| a) On account of depreciation on Property, plant and equipments | 172.78 | 474.41 |
| b) On account of lease liability | 8,374.49 | 7,294.15 |
| c) Net impact of IND - AS for investments | 5,225.93 | 4,580.43 |
| Total | 13,773.20 | 12,348.99 |
| ii) Deferred tax asset: | | |
| a) On account of depreciation on Property, plant and equipments | - | - |
| b) On account of right of use asset | 8,793.63 | 7,386.50 |
| Total | 8,793.63 | 7,386.50 |
| Net Deferred tax liability | 4,979.57 | 4,962.49 |

17 OTHER NON FINANCIAL LIABILITIES

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------------------|---------------------------|---------------------------|
| Goods and Service Tax payable | 15,184.60 | 7,905.23 |
| TDS payable | 1,110.31 | 268.84 |
| | 16,294.91 | 8,174.07 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
18 SHARE CAPITAL

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Authorised | | |
| 3.50 crore (31st March, 2022: 3.50 crore) equity shares of ₹ 10/- each | 350,000.00 | 350,000.00 |
| Issued, subscribed and fully paid up | | |
| 2.20 crore (31st March, 2022: 2.20 crore) equity shares of ₹ 10/- each | 220,000.00 | 220,000.00 |

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|------------|------------------------|------------|
| | No. of shares | ₹ in '000 | No. of shares | ₹ in '000 |
| At the beginning of the year | 22,000,000 | 220,000.00 | 22,000,000 | 220,000.00 |
| Add: Share Issued on exercise of Employee Stock Options during the year | - | - | - | - |
| Add: Share issued during the year | - | - | - | - |
| Bought back during the reporting year | - | - | - | - |
| At the close of the year | 22,000,000 | 220,000.00 | 22,000,000 | 220,000.00 |

b) Details of shareholders holding more than 5% shares in the Company:

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--------------------------------------|------------------------|------------|------------------------|------------|
| | No. of shares | % Holding | No. of shares | % Holding |
| Equity shares of ₹10 each fully paid | | | | |
| UTI Asset Management Company Limited | 21,999,300 | 100 | 21,999,300 | 100 |
| | 21,999,300 | 100 | 21,999,300 | 100 |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

19 OTHER EQUITY

(₹ in '000)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| i) Share option outstanding account | | |
| Balance as per the last financial statements | 7,770.62 | 4,433.48 |
| Add: Share option expense during the year | 2,877.90 | 3,337.14 |
| | 10,648.52 | 7,770.62 |
| ii) Retained Earnings | | |
| Balance as per the last financial statements | 640,103.62 | 216,733.49 |
| Add : Net impact for fair valuation of investments | - | - |
| (Less): Net impact of deferred tax liability of investments | - | - |
| Restated Opening balance | 640,103.62 | 216,733.49 |
| Profit for the year | 464,710.95 | 423,370.13 |
| Net balance | 1,104,814.57 | 640,103.62 |
| iii) Other Comprehensive Income (OCI) | | |
| Balance as per the last financial statements | - | - |
| Add: Movement in OCI (Net) during the year | - | - |
| Total Other Equity | 1,115,463.09 | 647,874.24 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
20 REVENUE FROM OPERATIONS

(₹ in '000)

| | Quarter Ended | | | Year ended | Year ended |
|---|-------------------|---------------------|-------------------|---------------------|-------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Reviewed) | (Reviewed) | (Reviewed) | (Audited) | (Audited) |
| (i) Interest income | | | | | |
| Interest on deposit with Bank | 3,380.84 | 3,352.23 | 3,181.35 | 13,255.52 | 10,429.60 |
| Interest on Income Tax Refund | 435.92 | - | - | 435.92 | 324.37 |
| | 3,816.76 | 3,352.23 | 3,181.35 | 13,691.44 | 10,753.97 |
| (ii) Net gain on fair value changes | 7,112.86 | 1,790.67 | 3,803.01 | 2,564.78 | 8,894.57 |
| | 7,112.86 | 1,790.67 | 3,803.01 | 2,564.78 | 8,894.57 |
| (iii) Sale of services | | | | | |
| Details of services rendered | | | | | |
| Management fees | 262,468.62 | 260,436.36 | 233,997.54 | 1,014,941.40 | 913,892.26 |
| Other operating revenues | | | | | |
| Fees relating to point of presence under New Pension Scheme | 312.50 | 23.02 | - | 335.52 | - |
| | 262,781.12 | 260,459.38 | 233,997.54 | 1,015,276.92 | 913,892.26 |
| (iv) Others | | | | | |
| Net gain/loss on sale of investments | 7,191.89 | 11,057.45 | 804.94 | 37,163.44 | 4,676.42 |
| | 7,191.89 | 11,057.45 | 804.94 | 37,163.44 | 4,676.42 |

21 OTHER INCOME

(₹ in '000)

| | Quarter Ended | | | Year ended | Year ended |
|--|------------------|---------------------|------------------|------------------|------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Reviewed) | (Reviewed) | (Reviewed) | (Audited) | (Audited) |
| Provision no longer required withdrawn (net) | - | - | - | - | - |
| Other non operating income | - | - | - | - | - |
| | - | - | - | - | - |

22 OTHER INCOME

(₹ in '000)

| | Quarter Ended | | | Year ended | Year ended |
|--|------------------|---------------------|------------------|------------------|------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Reviewed) | (Reviewed) | (Reviewed) | (Audited) | (Audited) |
| (i) Net loss on fair value changes | - | - | - | - | - |
| | - | - | - | - | - |
| (ii) Employee Benefits Expenses | | | | | |
| Salaries and wages | 11,138.24 | 17,123.28 | 13,511.95 | 64,217.30 | 38,969.58 |
| Contribution to provident and other funds | 380.27 | 375.23 | 251.36 | 1,302.24 | 859.42 |
| Expenses on the employee stock option scheme | 677.41 | 915.30 | 721.62 | 2,877.90 | 3,337.13 |
| | 12,195.92 | 18,413.81 | 14,484.93 | 68,397.44 | 43,166.13 |
| (iii) Finance Costs | | | | | |
| Interest Expense on Lease Liability | 457.88 | 489.63 | 403.12 | 1,982.97 | 1,056.12 |
| Other Borrowing Costs | - | - | - | - | - |
| | 457.88 | 489.63 | 403.12 | 1,982.97 | 1,056.12 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

(₹ in '000)

| | Quarter Ended | | | Year ended | Year ended |
|--|-------------------|---------------------|-------------------|-------------------|-------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Reviewed) | (Reviewed) | (Reviewed) | (Audited) | (Audited) |
| (iv) Depreciation, Amortisation and Impairment | | | | | |
| Depreciation of tangible assets | 1,396.55 | 1,352.15 | 697.81 | 5,377.67 | 941.55 |
| Amortisation of intangible assets | 443.62 | 403.67 | 389.89 | 1,650.24 | 1,563.75 |
| Amortisation of right of use assets | 1,378.59 | 1,409.24 | 1,391.84 | 5,590.97 | 4,452.21 |
| | 3,218.76 | 3,165.06 | 2,479.54 | 12,618.88 | 6,957.51 |
| (v) Other Expenses | | | | | |
| Insurance | 413.65 | - | - | 413.65 | - |
| Business Promotion | 1,258.01 | - | - | 1,258.01 | - |
| Board Meeting Expense - Traveling | 91.51 | 69.07 | 54.53 | 286.54 | 112.46 |
| Board Meeting Expense - Others | 241.51 | 291.44 | 54.35 | 784.18 | 631.87 |
| Printing and stationery | 151.64 | 171.25 | 55.46 | 520.04 | 73.31 |
| Legal and professional fees | 910.83 | 622.62 | 25,715.23 | 1,597.41 | 34,230.23 |
| Directors sitting fees | 1,050.00 | 1,800.00 | 1,050.00 | 5,250.00 | 3,370.00 |
| Payment to auditors (Refer (i) below) | 471.25 | 596.25 | 314.25 | 2,305.00 | 1,567.00 |
| Review of Internal Financial Controls over Financial Reporting | 31.25 | 31.25 | 25.00 | 125.00 | 100.00 |
| ROC Filing Fees | (6.30) | 7.50 | 2.10 | 16.20 | 24.60 |
| Scheme expenses | | | | | |
| - PFRDA Annual Fees | 86,460.14 | 81,567.95 | 72,499.10 | 320,167.37 | 270,973.32 |
| - Others Scheme | 2,383.52 | 2,335.79 | 1,231.86 | 10,552.85 | 6,186.27 |
| Car Hire Charges | 520.33 | 266.59 | 318.15 | 1,440.53 | 1,221.81 |
| Corporate Social Responsibility Expenses | 8,385.44 | - | - | 8,385.44 | - |
| Other expenses | 4,784.37 | 2,922.31 | 2,909.56 | 11,196.18 | 3,414.03 |
| | 107,147.15 | 90,682.02 | 104,229.59 | 364,298.40 | 321,904.90 |
| Payment to auditors | | | | | |
| As auditors: | | | | | |
| Audit fee | 87.50 | 212.50 | 68.75 | 725.00 | 575.00 |
| Concurrent Audit Fees | 137.50 | 137.50 | 82.50 | 550.00 | 330.00 |
| Internal Audit Fees | 187.50 | 187.50 | 115.50 | 750.00 | 462.00 |
| Tax audit fee | 33.75 | 33.75 | 27.50 | 160.00 | 120.00 |
| GST audit fee | 25.00 | 25.00 | 20.00 | 120.00 | 80.00 |
| | 471.25 | 596.25 | 314.25 | 2,305.00 | 1,567.00 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
23 RELATED PARTY TRANSACTION

In terms of Indian Accounting Standard 24 'Related Party Transactions', the Company has entered into transactions with the following related parties in the ordinary courses of business.

i) Names of related parties where control exists irrespective of whether transactions have occurred or not

| Holding Company | UTI Asset Management Company Limited |
|-----------------------|--|
| Key Management Person | 1. Mr. Balram Bhagat (CEO and Whole Time Director) 2. Mr. Vivek Vadwana* (Company Secretary) 3. Mr. Abhijeet Chavan** (Company Secretary) 4. Mr. Shyamkumar Gupta (Chief Financial Officer) |
| Directors | 1. Mr. Chetan Desai 2. Mr. Puneet Gupta 3. Mrs. Sangeeta Sharma 4. Mrs. Dipali Sheth 5. Mr. P. H. Ravikumar |

ii) Related parties transactions

(₹ in '000)

| | Year ended 31st March, 2023 | Year ended 31st March, 2022 | Details |
|---|--------------------------------|--------------------------------|----------------------------------|
| a) Transaction during the period | | | |
| Holding Company | | | |
| UTI Asset Management Company Limited | - | 4,200.63 | Lease |
| UTI Asset Management Company Limited | 27,749.24 | 36,669.74 | Salary & Administrative Expenses |
| Key Personnel Management: | | | |
| Mr. Balram Bhagat | 16,783.98 | 8,943.89 | Remuneration |
| Mr. Vivek Vadwana | 430.79 | 827.34 | Remuneration |
| Mr. Abhijeet Chavan | 615.23 | - | Remuneration |
| Mr. Shyamkumar Gupta | 2,485.50 | 2,139.24 | Remuneration |
| Directors | | | |
| Mr. Chetan Desai | 1,425.00 | 1,035.00 | Board Sitting Fees |
| Mr. Puneet Gupta | 1,350.00 | 985.00 | Board Sitting Fees |
| Mrs. Sangeeta Sharma | 1,425.00 | 1,015.00 | Board Sitting Fees |
| Mrs. Dipali Sheth | 1,050.00 | - | Board Sitting Fees |
| Mr. P. H. Ravikumar | - | 335.00 | Board Sitting Fees |
| b) Outstanding at the period end | | | |
| Holding Company | - | - | |
| Key Personnel Management | - | - | |
| Directors | - | - | |

* Mr Vivek Vadwana resigned as Company Secretary w.e.f. 19th August, 2022.

** Mr. Abhijeet Chavan appointed as Company Secretary w.e.f. 19th October, 2022.

24 EARNINGS PER SHARE

Earnings per share are computed in accordance with Indian Accounting Standard 33

(₹ in '000)

| | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| Profit after Tax | 464,710.95 | 423,370.13 |
| Weighted Average number of equity shares used as denominator for calculating EPS | 22,000,000 | 22,000,000 |
| Nominal Value per Share | 10.00 | 10.00 |
| Basic and Diluted EPS | 21.12 | 19.24 |

Basic Earnings Per Share and Diluted Earnings Per Share are the same.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

25 CONTINGENT LIABILITIES

A. To the extent not provided for

Claims against the Company not acknowledged as debts is ₹ NIL (Previous Period ₹ NIL) & Other money for which the Company is contingently liable is ₹ NIL. (Previous Period ₹ NIL).

B. Other Contingent Liabilities where financial impact is not ascertainable : NIL (Previous Period ₹ NIL)

26 CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account is ₹ NIL. (Previous Period ₹ NIL)

(b) As on 31st March, 2023, the Company has commitments of ₹ NIL. (Previous Period ₹ NIL)

27 FINANCIAL RISK MANAGEMENT:

The Company has an exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

A. Risk Management Framework:

The Company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

B. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and other financial assets. The carrying amount of the financial assets represents the maximum credit risk exposure.

Trade receivables:

Major portion of trade receivables include the Management fees receivable from National Pension System Trust. Based on the past experience, management expects to receive these amounts without any default.

| | (₹ in '000) | |
|--------------------|------------------|------------------|
| Trade Receivables | 31st March, 2023 | 31st March, 2022 |
| 0-90 Days | 98,456.29 | 87,682.78 |
| 91-180 Days | - | - |
| 181-270 days | - | - |
| 271-365 Days | - | - |
| More than 365 Days | - | - |
| Total | 98,456.29 | 87,682.78 |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Financial Instruments & cash deposits:

The Investments of the Company are primarily in Mutual Fund schemes.

The Company holds cash & cash equivalents of ₹ 5,057,345 as on 31st March, 2023. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Following is the exposure of the Company towards credit risk.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

(₹ in '000)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---------------------------|---------------------|---------------------|------------------------|------------------|-------------------|
| | | | 31st March, 2023 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash And Cash Equivalents | 5,057.35 | 5,057.35 | 5,057.35 | - | - |
| Receivables | 98,456.29 | 98,456.29 | 98,456.29 | - | - |
| Investments | 997,430.46 | 997,430.46 | 997,430.46 | - | - |
| Other Financial Assets | 248,672.05 | 248,672.05 | 115,968.35 | 76,273.98 | 56,429.72 |
| Total | 1,349,616.15 | 1,349,616.15 | 1,216,912.45 | 76,273.98 | 56,429.72 |

(₹ in '000)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|---------------------------|-------------------|-------------------|------------------------|-------------------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash And Cash Equivalents | 22.03 | 22.03 | 22.03 | - | - |
| Receivables | 87,682.78 | 87,682.78 | 87,682.78 | - | - |
| Investments | 538,990.55 | 538,990.55 | 538,990.55 | - | - |
| Other Financial Assets | 234,084.29 | 234,084.29 | - | 180,731.38 | 53,352.91 |
| Total | 860,779.65 | 860,779.65 | 626,695.36 | 180,731.38 | 53,352.91 |

C. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Following is the exposure of the Company towards liquidity risk:

(₹ in '000)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|--------------------------------|------------------|------------------|------------------------|------------------|-------------------|
| | | | 31st March, 2023 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Payable to UTI AMC | - | - | - | - | - |
| Lease liability | 22,665.98 | 22,665.98 | 4,962.78 | 12,247.25 | 5,455.95 |
| Other Payables | 2,612.51 | 2,612.51 | 2,612.51 | - | - |
| Total | 25,278.49 | 25,278.49 | 7,575.29 | 12,247.25 | 5,455.95 |

(₹ in '000)

| Particulars | Carrying Amount | Total | Contractual Cash Flows | | |
|--------------------------------|------------------|------------------|------------------------|------------------|-------------------|
| | | | 31st March, 2022 | | |
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Payable to UTI AMC | - | - | - | - | - |
| Lease liability | 26,958.48 | 26,958.48 | 4,292.50 | 10,674.77 | 11,991.21 |
| Other Payables | 3,437.82 | 3,437.82 | 3,437.82 | - | - |
| Total | 30,396.30 | 30,396.30 | 7,730.32 | 10,674.77 | 11,991.21 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

D. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. The Company's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

| Particulars | Carrying amount as on | |
|------------------------|-----------------------|-------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Fixed Rate Instruments | | |
| Financial Assets | 1,349,616.15 | 860,779.65 |
| Financial Liabilities | (25,278.49) | (30,396.30) |
| Total | 1,324,337.66 | 830,383.35 |

(₹ in '000)

The Company does not have variable rate instruments.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any exposure to foreign currency Risk.

Equity price risk:

The Company does not have any Equity price risk.

28 FAIR VALUE HIERARCHY:

Accounting classifications & Fair values:

The Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

| 31st March,2023 | Carrying Amount | | | Fair Value | | |
|-------------------------------|---------------------|----------------|---------------------|-------------------|----------|----------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 |
| Financial Assets: | | | | | | |
| Other Investments | 997,430.46 | - | 997,430.46 | 997,430.46 | - | - |
| Trade Receivables | 98,456.29 | - | 98,456.29 | - | - | - |
| Cash & Cash Equivalents | 5,057.35 | - | 5,057.35 | - | - | - |
| Other Financial Assets | 248,672.05 | - | 248,672.05 | - | - | - |
| Total | 1,349,616.15 | - | 1,349,616.15 | 997,430.46 | - | - |
| Financial Liabilities: | | | | | | |
| Trade Payable | 2,612.51 | - | 2,612.51 | - | - | - |
| Other Payable | - | - | - | - | - | - |
| Other Financial Liabilities | 22,665.98 | - | 22,665.98 | - | - | - |
| Total | 25,278.49 | - | 25,278.49 | - | - | - |

(₹ in '000)

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

(₹ in '000)

| 31st March, 2022 | Carrying Amount | | | Fair Value | | |
|-------------------------------|-------------------|----------------|-------------------|-------------------|----------|----------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 |
| Financial Assets: | | | | | | |
| Other Investments | 538,990.55 | - | 538,990.55 | 538,990.55 | - | - |
| Trade Receivables | 87,682.78 | - | 87,682.78 | - | - | - |
| Cash & Cash Equivalents | 22.03 | - | 22.03 | - | - | - |
| Other Financial Assets | 234,084.29 | - | 234,084.29 | - | - | - |
| Total | 860,779.65 | - | 860,779.65 | 538,990.55 | - | - |
| Financial Liabilities: | | | | | | |
| Trade Payable | 3,437.82 | - | 3,437.82 | - | - | - |
| Other Payable | - | - | - | - | - | - |
| Other Financial Liabilities | 26,958.48 | - | 26,958.48 | - | - | - |
| Total | 30,396.30 | - | 30,396.30 | - | - | - |

29 CAPITAL MANAGEMENT:

The primary objective of the Company's capital management is to maximise the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves. Calculation of this ratio is given below:

(₹ in '000)

| | 31st March, 2023 | 31st March, 2022 |
|--|---------------------|-------------------|
| Total Liabilities | 71,156.63 | 57,347.11 |
| Less: Cash & Cash equivalents | (5,057.35) | (22.03) |
| Adjusted Net Debt | 66,099.28 | 57,325.08 |
| Total Equity | 1,335,463.09 | 867,874.24 |
| Adjusted Net Debt to Total Equity Ratio | 0.05 | 0.07 |

30 LEASE DISCLOSURES:
Company as a lessee:

Effective 1st January, 2022, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st January 2022 using the the modified retrospective on the date of initial application. Consequently, the Company recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

The following is the break-up of current and non-current lease liabilities as at 31st March, 2023

(₹ in '000)

| Particulars | 31st March, 2023 |
|-------------------------------|------------------|
| Current lease liabilities | 4,962.78 |
| Non-current lease liabilities | 17,703.20 |
| Total | 22,665.98 |

The following is the movement in lease liabilities during the year ended 31st March, 2023

(₹ in '000)

| Particulars | 31st March, 2023 |
|---------------------------------------|------------------|
| Balance as of 31st March, 2022 | 26,958.48 |
| Additions | - |
| Finance cost accrued during the year | 1,982.97 |
| Payment of lease liabilities | (6,275.47) |
| Adjustments | - |
| Balance as of 31st March, 2023 | 22,665.98 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2023 on an undiscounted basis

(₹ in '000)

| Particulars | 31st March, 2023 | 31st March, 2022 |
|----------------------|------------------|------------------|
| Less than one year | 4,962.78 | 4,292.50 |
| One to Five years | 17,703.20 | 22,665.98 |
| More than Five years | - | - |
| Total | 22,665.98 | 26,958.48 |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities for FY 2021-22 is 8.15%.

31 EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 16th December, 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 23,246 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of ₹ 10 each for an exercise price of ₹ 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16th December, 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

Details of ESOS 2007

| Particulars | ESOS 2007 |
|--|---|
| Date of Grant | 16th December, 2019 |
| Price of Underlying Stock (In ₹) | 728 |
| Exercise / Strike Price (In ₹) | 728 |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | |
| Risk Free Interest Rate | 6.33% |
| Expected Dividend | ₹ 5 per share |
| Expected Life (years) | 4 Years (mid - way between option vesting and expiry) |
| Expected Volatility | 39.78% |
| Weighted Average Fair Value (In ₹) | 276 |

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

| Particulars | No. of stock options as at 31st March, 2023 |
|--|---|
| Date of Grant | 16th December, 2019 |
| Outstanding at the beginning of the period | 42,245 |
| Employee transferred from UTIAMC to UTIRSL | - |
| Granted during the period | - |
| Exercised during the period | - |
| Forfeited during the period | - |
| Lapsed/expired during the period | - |
| Outstanding at the end of the period | 42,245 |
| Vested and exercisable | 42,245 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

Share options outstanding at the end of the period have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price | Outstanding as at 31st March, 2023 |
|---------------------|---------------------|----------------|------------------------------------|
| 16th December, 2019 | 17th December, 2022 | 728 | 42,245 |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 31st March, 2023 included:

| Particulars | Year ended 31st March, 2023 |
|--|---|
| Expected - Weighted average volatility | 39.78% |
| Expected dividends | ₹ 5 per share |
| Expected term (In years) | 4 Years (mid - way between option vesting and expiry) |
| Risk free rate | 6.33% |
| Exercise price | 728 |
| Market price | 728 |
| Grant date | 16th December, 2019 |
| Expiry date | 17th December, 2022 |
| Fair value of the option at grant date | 276 |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

(₹ in '000)

| Assumptions | Year ended 31st March, 2023 |
|---|-----------------------------|
| Employee stock option scheme (equity settled) | 7,423.12 |

The Employee Stock Option Plan (ESOP) was approved on the General Meeting of UTI Asset Management Company Limited held on 16th December, 2019. However, the impact of the above is not taken in FY 2019-20 and the effect of the above is taken in March 2021 total amounting to ₹ 1,135,519. The breakup of the above is given below –

(₹ in '000)

| Period | ESOP Expenses | Financial Year |
|-----------------------|-----------------|----------------|
| Oct'2019 to Dec'2019 | 160.69 | FY 2020-21 |
| Jan'2020 to Mar'2020 | 974.83 | |
| Apr'2020 to June'2020 | 974.83 | |
| July'2020 to Sep'2020 | 985.55 | |
| Oct'2020 to Dec'2020 | 898.11 | FY 2021-22 |
| Jan'2021 to Mar'2021 | 439.48 | |
| Apr'2021 to June'2021 | 444.36 | |
| July'2021 to Sep'2021 | 449.25 | |
| Oct'2021 to Dec'2021 | 1,083.10 | FY 2022-23 |
| Jan'2022 to Mar'2022 | 260.47 | |
| Apr'2022 to June'2022 | 263.36 | |
| July'2022 to Sep'2022 | 266.25 | |
| Oct'2022 to Dec'2022 | 222.84 | |
| TOTAL | 7,423.12 | |

In the Financial Statement of 31st December, 2019 and 31st March, 2020, the expenses arising from share-based payment transactions are not considered in the Statement of Profit and Loss and therefore, the expenses arising from share-based payment transactions from Grant Date i.e. 16th December, 2019 to 31st March, 2020 is considered in the Statement of Profit and Loss of 31st March, 2021. However, the corresponding year wise impact is given in the restated books of accounts.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

32 EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007". Each Employee on the rolls of the Company as on 28th July, 2021 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till five years from grant date as per Plan. Under the scheme, 10,269 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted one of Equity Share granted of the Company having face value of ₹ 10 each for an exercise price of ₹ 923.20/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 28th July, 2021. The exercise period would be maximum of 5 years from the date of vesting of options.

Details of ESOS 2007

| Particulars | ESOS 2007 |
|--|--|
| Date of Grant | 28th July, 2021 |
| Price of Underlying Stock (In ₹) | 923.20 |
| Exercise / Strike Price (In ₹) | 923.20 |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | |
| Risk Free Interest Rate | 5.16% |
| Dividend Yield | 1.84% |
| Expected Life (years) | 3.32 Years (mid - way between option vesting and expiry) |
| Expected Volatility | 32.14% |
| Weighted Average Fair Value (In ₹) | 260.07 |

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

| Particulars | No. of stock options as at 31st March, 2023 |
|--|---|
| Date of Grant | 28th July, 2021 |
| Outstanding at the beginning of the period | 10,269 |
| Granted during the period | - |
| Exercised during the period | - |
| Forfeited during the period | - |
| Lapsed/expired during the period | - |
| Outstanding at the end of the period | 10,269 |
| Vested and exercisable | 3,423 |

Share options outstanding at the end of the period have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price | Outstanding as at 31st March, 2023 |
|-----------------|-----------------|----------------|------------------------------------|
| 28th July, 2021 | 28th July, 2024 | 923.20 | 10,269 |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk-free interest rate for the term of the option.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

The model inputs for options granted during the Year ended 31st March, 2023 included:

| Particulars | Year ended 31st March, 2023 |
|--|--|
| Expected - Weighted average volatility | 32.14% |
| Expected dividends | ₹ 17 per share |
| Expected term (In years) | 3.32 Years (mid - way between option vesting and expiry) |
| Risk free rate | 5.16% |
| Exercise price | 923.20 |
| Market price | 923.20 |
| Grant date | 28th July, 2021 |
| Expiry date | 28th July, 2024 |
| Fair value of the option at grant date | 260.07 |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

(₹ in '000)

| Assumptions | Year ended 31st March, 2023 |
|---|-----------------------------|
| Employee stock option scheme (equity settled) | 2,132.07 |

33 EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 13th September, 2022 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till five years from grant date as per Plan. Under the scheme, 12,791 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of ₹ 10 each for an exercise price of ₹ 816.05/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 13th September, 2022. The exercise period would be maximum of 5 years from the date of vesting of options.

Details of ESOS 2007

| Particulars | ESOS 2007 |
|--|--|
| Date of Grant | 13th September, 2022 |
| Price of Underlying Stock (In ₹) | 816.05 |
| Exercise / Strike Price (In ₹) | 816.05 |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | |
| Risk Free Interest Rate | 6.91% |
| Dividend Yield | 2.57% |
| Expected Life (years) | 4.14 Years (mid - way between option vesting and expiry) |
| Expected Volatility | 35.66% |
| Weighted Average Fair Value (In ₹) | 256.55 |

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)

The information covering stock options granted, exercised, forfeited and outstanding at the period end is as follows:

| Particulars | No. of stock options as at 31st March, 2023 |
|--|---|
| Date of Grant | 13th September, 2022 |
| Outstanding at the beginning of the period | 12,791 |
| Granted during the period | - |
| Exercised during the period | - |
| Forfeited during the period | - |
| Lapsed/expired during the period | - |
| Outstanding at the end of the period | 12,791 |
| Vested and exercisable | - |

Share options outstanding at the end of the period have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price | Outstanding as at 31st March, 2023 |
|----------------------|----------------------|----------------|------------------------------------|
| 13th September, 2022 | 13th September, 2025 | 816.05 | 12,791 |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk-free interest rate for the term of the option.

The model inputs for options granted during the Period ended 31st March, 2023 included:

| Particulars | Year ended 31st March, 2023 |
|--|---|
| Expected - Weighted average volatility | 35.66% |
| Expected dividends | ₹ 21 per share |
| Expected term (In years) | 4.14 Years (mid - way between option vesting and expiry) |
| Risk free rate | 6.91% |
| Exercise price | 816.05 |
| Market price | 816.05 |
| Grant date | 13th September, 2022 |
| Expiry date | 13th September, 2025 |
| Fair value of the option at grant date | 256.55 |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

| Assumptions | (₹ in '000) Year ended 31st March, 2023 |
|---|--|
| Employee stock option scheme (equity settled) | 1,093.33 |

34 SEGMENT REPORTING:

The Company is primarily engaged in the wholesale investment management of Pension funds under new pension system. Hence there are no other a "reportable segments" as per the definition contained in Ind AS 108 'Operating Segments'.

35 MANAGERIAL REMUNERATION

- The remuneration to CEO & Whole Time Director during the current Year is ₹ 16,783,977/- (previous year ₹ 7,688,721/-).
- The Computation of profits under Section 198 of the Companies Act, 2013 has not been given as no commission is payable to the Managing Director.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023: (Contd.)
36 CORPORATE SOCIAL RESPONSIBILITY EXPENSES

- a) Amount of expenditure incurred on Corporate Social Responsibility activities during the year is ₹ 8,385,443/-.
- b) Details of CSR Activities :

| Sr. No. | Brief Details on Project | Location of the Project | Amount Proposed to be allocated (₹) | Manner of Execution |
|---------|--|---|-------------------------------------|---|
| 1 | 'Project Drishti' will help people with visual impairment with a smart vision device (a spectacle like wearable) that would facilitate and assist them with their needs such as walking, reading, identifying people, etc., by using Artificial Intelligence (AI). The device is priced at ₹ 30,000 per device. Thus, the cost of the project would depend upon the number of target beneficiaries and the availability of the devices with the manufacturer. | The Victoria Memorial School for the Blind, Mumbai. | 4,500,000 | in partnership with Rotary Club of Madras East |
| 2 | Gramin Vikas Vigyan Samiti (GRAVIS), registered under the Rajasthan Societies Registration Act, 1958, is a voluntary organisation founded by Gandhian social activists in 1983 to assist the people of Thar Desert of India in rural development and environmental conservation. GRAVIS had proposed a water security and health care project for the consideration of UTI- entitled as Enhancing Water Security and Health in Thar Desert (EWSH) . The brief objectives of the project are as under: - To construct and renovate rainwater harvesting structures in the project area for domestic and agricultural purposes. - To enhance technical knowledge of rural communities on water management and farming. - To improve health by organising outreach health activities. - To create linkages between rural communities and local government programmes for scalability. | Thar Desert of India, Rajasthan | 3,885,443 | in partnership with Gramin Vikas Vigyan Samiti (GRAVIS) |

37 RATIO ANALYSIS

| Sr. No. | Ratios | 31st March, 2023 | 31st March, 2022 | Variance |
|---------|----------------------------------|------------------|------------------|----------|
| 1 | Current Ratio | 160.64 | 81.07 | 79.57 |
| 2 | Return on Equity Ratio | 0.35 | 0.49 | (0.14) |
| 3 | Trade Receivables turnover ratio | 35.40 | 35.02 | 0.38 |
| 4 | Net profit ratio | 0.43 | 0.45 | (0.02) |
| 5 | Return on Capital employed | 0.47 | 0.65 | (0.18) |

- 38** Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

As per our Report of even date
For : **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Sahil Kothari
Partner
Membership no.: 137144

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Place : Mumbai
Date : 18th April, 2023

Abhijeet Chavan
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

UDIN NO. : 23137144BGYD258661

Date : 18th April, 2023

UTI CAPITAL PRIVATE LIMITED

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DIRECTORS' REPORT

To
The Members
UTI Capital Private Limited

We are pleased to present the report on our business and operations for the financial year ended on 31st March, 2023.

FINANCIAL RESULTS

(₹ in crores)

| Particulars | For the financial year ended on 31st March, 2023 | For the financial year ended on 31st March, 2022 |
|--------------------------|--|--|
| Total Income | 11.91 | 7.68 |
| Profit/(Loss) Before Tax | (4.89) | (3.00) |
| Profit/(Loss) After Tax | (3.29) | (2.21) |
| Net Worth | 49.64 | 28.13 |

For the year ended 31st March, 2023, the total income of the Company during the financial year was ₹ 11.91 crores (Previous year ₹ 7.68 crores) and the Net loss after tax was ₹ 3.29 crores (Previous year Net loss after tax of ₹ 2.21 crores). The net worth of the Company was ₹ 49.64 crores as on 31st March 2023 (Previous year ₹ 28.13 crores). The accounts have been prepared based on the 'Ind-AS' Accounting framework.

Dividend

The Board of Directors do not recommend any declaration of dividend for the financial year ended on 31st March, 2023.

Business, Operations and Affairs of the Company

Your Company is currently acting as Investment Manager to five SEBI registered category II alternative investment funds viz UTI Structured Debt Opportunities Fund I (SDOF I), UTI Structured Debt Opportunities Fund II (SDOF II), UTI Structured Debt Opportunities Fund III (SDOF III), UTI Multi Opportunities Fund I (MOF I), UTI Real Estate Opportunities Fund I (ROF I).

SDOF I is a private debt fund registered with SEBI as a Category II AIF in August 2017. UTI Capital is the Investment Manager of the fund. The objective of SDOF I is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies. SDOF I announced its first close on 15th November, 2017. The total commitments as on 31st March, 2023, were approx. ₹ 695.91 crores (Previous Year ₹ 695.91 crores) and the total amount drawn down from investors as on 31st March, 2023, is ₹ 695.91 crores (Previous Year ₹ 695.91 crores). As on 31st March, 2023, SDOF I has outstanding investments in two companies aggregating ₹ 125.92 crores (Previous year six companies aggregating ₹ 286.32 crores).

SDOF II is a private debt fund registered with SEBI as a Category II AIF. SDOF II received SEBI approval in May 2020 and declared first close on 30th September, 2020. Like SDOF I the objective of SDOF II is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies.

The total commitments as on 31st March, 2023, were ₹ 506.67 crores (Previous Year ₹ 496.67 crores) and the total amount drawn down from investors as on March 31, 2023, is ₹ 223.59 crores (Previous Year ₹ 91.82 crores). As on 31st March, 2023, SDOF II has outstanding investments in four companies aggregating ₹ 196.03 crores (Previous Year four companies aggregating ₹ 91.52 crores).

SDOF III is a private debt fund registered with SEBI as a Category II AIF. SDOF III received SEBI approval in April 2022 and declared first close on 30th September, 2022. Like SDOF I & SDOF II the objective of SDOF III is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies.

The total commitments as on 31st March, 2023, were ₹ 300.75 crores and the total amount drawn down from investors as on 31st March, 2023, is ₹ 78.42 crores. As on 31st March, 2023, SDOF III has outstanding investments in two companies aggregating ₹ 33 crores.

MOF I is a multi opportunities fund registered with SEBI as a Category II AIF. MOF I received SEBI approval in February 2022 and declared first close on 31st March, 2022.

The total commitments as on 31st March, 2023, were ₹ 763 crores and the total amount drawn down from investors as on 31st March, 2023, is ₹ 168.47 crores. As on 31st March, 2023, MOF I has outstanding investments in six companies aggregating ₹ 142.99 crores.

The company has also received SEBI approval for another Category II AIF called UTI Real Estate Opportunities Fund. The fund will commence operations from FY 2023-24 onwards.

UTI Capital Private Limited (the "Company") under the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, received a license as the Co-Investment Portfolio Manager ("CPM"). The Company provides services to investors of AIFs managed by it, as permitted under the Portfolio Managers Regulations. As at 31st March, 2023, the operations under CPM were limited and the Company has onboarded few Investors.

During the year, the Company (Investment Manager) has stopped providing investment advisory services to IIFD (infrastructure focused private equity fund sponsored by UTI AMC Limited) as the fund has successfully exited from its portfolio by selling two unlisted companies viz. Bumi Engineering Limited and Indian Oil Adani Ventures (Formerly Known as Indian Oil Tanking Ltd) to its Investment Manager for which the Investment Manager is in active discussions with the management of these two companies for exit.

In order to fulfil the business requirements of the Company, UTI Asset Management Company Limited i.e. the holding company proposed to infuse ₹ 64 crores in tranches. To effect the same, the Company planned on allotting equity shares to the holding company. In view of the proposed issuance of equity shares, the

DIRECTORS' REPORT (Contd.)

Authorized Share Capital of the Company was increased from ₹ 150,000,000/- (Rupees Fifteen Crore) divided into 15,000,000 (One Crore Five Lakh) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 550,000,000/- (Rupees Fifty Five Crore) divided into 55,000,000 (Five Crore Five Lakh) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

Subsequently, the Company had received first tranche of the funds amounting to ₹ 240,000,000/- (Rupees Twenty-Four Crores) on 1st September, 2022 from the holding company against which 1,06,33,584 equity shares @ ₹ 12.57 were allotted to the holding company.

Board of Directors

The Board of Directors of your Company comprises of the following Directors:

| S. No. | Names | Designation |
|--------|-------------------------|----------------------|
| 1. | Mr. Imtaiyazur Rahman | Director |
| 2. | Mr. Flemming Madsen | Director |
| 3. | Mr. Deepak Vaidya | Independent Director |
| 4. | Mr. Narasimhan Seshadri | Independent Director |
| 5. | Ms. Geeta Goel | Independent Director |

Mr. Flemming Madsen, who retired by rotation was re-appointed as Director.

Mr. Deepak Vaidya was appointed as an independent director for a term of three years in the Annual General Meeting held on 19th August, 2015, and thereafter his term has been renewed for a further period of five years by passing a special resolution in the Annual General Meeting held on 20th August, 2018.

Mr. Narasimhan Seshadri and Ms. Geeta Goel were appointed as the Additional Director in the Board Meeting of the Company held on 27th July, 2021. Their appointment is proposed to be recommended to the members of the Company for appointment as Independent Directors for a period of three years in the Annual General Meeting of the Company.

The composition of the Board of Directors, number of meetings held, director's attendance and directorships held, remuneration of directors and the Board procedures are detailed in the Corporate Governance Report as Annexure I.

KEY MANAGERIAL PERSONNEL:

Mr. Rohit Gulati Chief Executive Officer, Mr. Ayushi Mittal Company Secretary, Legal & Compliance Officer and Mr. Anant Seth Chief Financial Officer are the Key Managerial Personnel of the Company.

Internal Controls, Risk Management Policy

Internal Controls and Risk Management Policy of the Company is attached herewith as Annexure II.

Particulars of contracts/arrangements with related parties: The particulars of contracts/arrangements with related parties are provided in Form AOC-2, (attached herewith as Annexure III) as prescribed under Rule 8(2) of the Companies (Accounts) Rules 2014.

Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters:

Attached as Annexure IV.

Statement on Declaration given by Independent Directors:

The independent directors have given the declaration of independence as per Annexure V.

Audit Committee:

The Company is having Audit Committee of the Board. Presently, the composition of the committee is as under:

1. Mr. Deepak Vaidya Member (Independent Director)
2. Mr. Narasimhan Seshadri Member (Independent Director)
3. Ms. Geeta Goel Permanent Invitee (Independent Director).

Public Deposits

During the year under review the Company has not accepted any deposits from the public.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

NIL

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

NIL

Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo

During the year Company has earned foreign exchange of ₹ Nil (Nil) (Previous Year ₹ 0.19 crores). Your Company spent foreign exchange amounting to ₹ Nil (Nil) during the year. Regarding conservation of energy, the Company has taken the Gurgaon office premises on seat sharing basis and no separate charges are paid in respect of energy consumption. Further, as the Company is into service sector, hence technology absorption is not applicable.

DIRECTORS' REPORT (Contd.)

Details in respect of frauds reported by auditors under sub-section (12) of section 143

NIL

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details of every qualification, reservation or adverse remark or disclaimer made by the auditor in his report

NIL

Particulars of loans, guarantees or investments under section 186

To facilitate exit to the investors of IIDF and wind up the fund the Company acquired the two remaining investments of IIDF at the latest valuation of ₹ 178,484,752 as per details presented below:

| Name of Company | Latest valuation (₹) |
|------------------------------|----------------------|
| Indian Oil Tanking Ltd | 178,384,752 |
| Bumi Geo Engineering Limited | 100,000 |

The said investment was in compliance with the investment limits approved by the Board under Section 186 of the Companies Act, 2013 i.e. up to a limit for an amount not exceeding a sum of

₹ 20 crores (Rupees Twenty Crores Only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company whichever is higher.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form

As per Annexure III.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

NIL

Internal Complaints Committee:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as the ICC of UTI AMC, its holding company will deal with such complaints, if any.

Compliance with the Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Auditors

M/s Samria & Co., Chartered Accountants, Mumbai have been appointed as the statutory auditors for the FY 2020-21 till FY 2025-26

Acknowledgement

Directors acknowledge the valuable assistance, co-operation and guidance received from Government of India, the Securities and Exchange Board of India, and UTIAMC. The Directors are also thankful to our investors, Auditors, Custodian, Banks, Distributors and all other service providers for their valued support. The Directors would also like to thank the employees of UTI Capital Private Limited for their commitment, collaboration and partnership demonstrated by them for achieving the Company's goals.

For and on behalf of Board of Directors
Chairman

Date: 20th April, 2023

Place: Mumbai

Annexure – I to DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Board of Directors: Composition

The Board of Directors of your Company comprises of the following Directors:

| S. No. | Names | Designation |
|--------|-------------------------|----------------------|
| 1. | Mr. Imtaiyazur Rahman | Director |
| 2. | Mr. Flemming Madsen | Director |
| 3. | Mr. Deepak Vaidya | Independent Director |
| 4. | Mr. Narasimhan Seshadri | Independent Director |
| 5. | Ms. Geeta Goel | Independent Director |

Number of Board and Audit Committee Meetings

The Board of UTI Capital Private Limited met 4 times during the period. The meetings were held on 18th April, 2022, 20th July, 2022, 1st September, 2022, 19th October, 2022 and 25th January, 2023. The Audit Committee meetings were held on 18th April, 2022, 20th July, 2022, 19th October, 2022 and 25th January, 2023.

Board Procedures

The Board of Directors of the Company meets regularly to discuss, inter alia, the following:

- Operational activities of the Company
- Quarterly, Half-yearly unaudited financial results and annual audited financial statements.
- Review the position in respect of compliance with respect various Act, Rules, Regulations and statutory requirements governing the operations of the Company.
- Any other significant developments in the operations of the Company.

Post-meeting follow-up system

The governance process in the Company includes an effective post meeting follow-up, review, and reporting process for action taken/ pending on decisions of the Board/Board Committees.

Directors' Attendance

The details for the period 2022-23 are as under:

| Name of the Director | No. of Board Meetings during FY 2022-23 | | No. of Audit Committee Meetings during FY 2022-23 | |
|-------------------------|---|----------|---|----------|
| | Held | Attended | Held | Attended |
| Mr. Imtaiyazur Rahman | 5 | 5 | - | - |
| Mr. Flemming Madsen | 5 | 4 | - | - |
| Mr. Deepak Vaidya | 5 | 5 | 4 | 4 |
| Mr. Narasimhan Seshadri | 5 | 5 | 4 | 4 |
| Ms. Geeta Goel | 5 | 5 | 4 | 4 |

Remuneration of Directors

The remuneration paid or payable to the Directors for the year ended 31st March, 2023 is as detailed below:-

| Name of the Director | Sitting Fees (₹) | Emoluments paid by the Company (₹) | Total (₹) |
|-------------------------|------------------|------------------------------------|-----------|
| Mr. Imtaiyazur Rahman | - | - | - |
| Mr. Flemming Madsen | - | - | - |
| Mr. Deepak Vaidya | 4,95,000 | - | 4,95,000 |
| Mr. Narasimhan Seshadri | 4,95,000 | - | 4,95,000 |
| Ms. Geeta Goel | - | - | - |

Annexure – II to DIRECTORS' REPORT

RISK MANAGEMENT POLICY

Internal Control, Audit & Systems

Your Directors believe that internal audit control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

UTI AMC, the holding company, has an Internal Audit Department and your Company is covered within the internal audit program of UTI AMC which monitors the investments, compliances, internal audit reports and the minutes of the meetings of the Board and Committee of the subsidiaries. Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of your Company, valuation of IT security continues to receive focused attention of the internal audit team, which includes IT specialists.

Risk Management

Risk management is one of the key focus areas and UTI AMC has established processes and systems to ensure robust firm wide risk management. UTI AMC has a Board-level risk management

committee consisting of five members of the Board and a Board level Audit Committee consisting of four members of the Board. Considering the size and level of operations of your Company, a separate risk management department has not been created. However, UTI AMC, the holding company has an independent Department of Risk management to oversee investment risks, Department of Compliance to oversee adherence to SEBI regulations and Department of Internal Audit to ensure adherence to laid down processes and procedures and evaluation of the effectiveness of the internal controls including subsidiaries.

The risks include:

Fund Management: Unprofessional/unethical action by an investee Company, Front-running & Insider trading.

Operations: NAV and inaccurate financial reporting.

Customer Service: Errors, fraud etc.

Other Business Risks: Critical knowledge loss, Skill shortage, non-compliance, third party risks, Inappropriate recruitment, Conflict in work community, violence etc.

Board of Directors of holding company formulates and periodically reviews the risk management policies, procedures and processes, which include the delegation of investment and financial responsibilities, prudential investment norms, guidelines and limits, and counter-party limits. The Board of your Company also reviews the performance of various funds under management.

Annexure – III to DIRECTORS’ REPORT

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm’s length basis: NIL

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:

- (g) Amount paid as advances, if any: NIL
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm’s length basis:

- a) Name(s) of the related party and nature of relationship:
UTI ASSET MANAGEMENT COMPANY LIMITED (HOLDING COMPANY)

Nature of contracts/arrangements/transactions: **NIL**

- b) Duration of the contracts / arrangements/transactions:
NIL
- c) Salient terms of the contracts or arrangements or transactions including the value, if any: **NIL**
- e) Date(s) of approval by the Board, if any: **NA**
- f) Amount paid as advances, if any: **NIL**



Annexure – IV to DIRECTORS' REPORT

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

A. Directors

The policy on appointment of Directors is as detailed below:

Appointment of Chief Executive Officer and/ or Whole Time Director

Appointment has to comply with the requirements prescribed under the Companies Act & Rules made thereunder, Articles of Association of the Company.

The company will follow a policy of appointing CMD/ CEO/MD/WTD through a robust process of sourcing and selection through internal process by the Human Resources Department of UTIAMC.

The proposed appointment will be approved by the Board of Directors of UTIAMC and then Board of Directors of the Company.

The Board of Directors consider the nomination received from the holding company and approve the appointment (alongwith terms and conditions of appointment) subject to approval by the shareholders at the General Meeting.

The General Meeting will be convened by issuing a notice alongwith detailed explanatory statement, and the approval (alongwith terms and conditions of appointment) of the shareholders is obtained in accordance with the requirements prescribed under the Companies Act.

Remuneration of directors

The remuneration paid to the non-executive directors is in accordance with the Companies Act, 2013 & Rules made thereunder and is approved by the Board of Directors based on the recommendations of the Nomination and Remunerations Committee.

Non – executive directors:

The non – executive directors shall be appointed as per the provisions of the Companies Act, 2013. The Nomination & Remuneration Committee shall select independent directors to be inducted on the Board.

The remuneration of the non-executive directors will be as detailed below:

Sitting fees

The amount of sitting fees payable to the non-executive directors is based on the limits prescribed under the Companies Act.

The sitting fees are paid for each meeting of the Board and Committees of the Board attended by the non-executive directors either in person or through audio video conference or audio conference.

Apart from the sitting fees paid to the non-executive directors, the Company pays for the air-tickets, hotel accommodation and local conveyance incurred in connection with the meetings of the Committees of the Board.

B. Key Managerial Personnel

UTI Capital will have to appoint the following Key Personnel in accordance with the requirements of the Companies Act, 2013 and Rules made thereunder: -

- i) Chief Executive Officer and / or Whole Time Director
- ii) Chief Financial Officer
- iii) Company Secretary

Appointment

The appointment of MD/WTD is as detailed at (A) above.

The appointment of Chief Financial Officer and Company Secretary are approved by the Board of Directors.

Remuneration:

The policy regarding the remuneration of Chief Executive Officer is approved by the Board of Directors and Shareholders.

The remuneration policy and framework in respect of Key personnel and all employees of the Company including workmen is reviewed and recommended by Department of Human Resources Development (DHRD) of the sponsor company i.e. UTI Asset Management Company Limited to the Nomination & Remuneration Committee for approval.

Based the approval of the Nomination & Remuneration Committee on the overall remuneration policy, strategy and framework, the actual remuneration in respect of all employees including workmen is recommended by DHRD to the competent authority of sponsor company i.e. UTI Asset Management Company Limited.

Annexure – V to DIRECTORS' REPORT

DECLARATION BY INDEPENDENT DIRECTOR

[Pursuant to section 149(7) of the Companies Act, 2013]

To,
The Board of Directors of
UTI Capital Private Limited
UTI Tower, Gn Block,
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Declaration of Independence for the FY -----

I, _____, s/o _____, residing at _____; do hereby declare that I fulfill the conditions of Independent Director as mentioned in Section 149(6) of the Companies Act, 2013. I further declare that: -

- (a) I am not a promoter of UTI Capital Private Co. Limited or its holding, subsidiary or associate company;
- (b) I am not related to promoters or directors in UTI Capital Private Limited, its holding, subsidiary or associate company;
- (c) I have no pecuniary relationship other than remuneration as such director or having transaction not exceeding ten percent of my total income or such amount as may be prescribed with UTI Capital Private Limited, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of my relatives
 - (i) is holding any security of or interest in UTI Capital Private Limited, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year.

Provided that the relative may hold security or interest in UTI Capital Private Limited, of face value not exceeding fifty lakh rupees or two per cent of the paid-up capital of UTI Capital Private Limited, its holding, subsidiary or associate company or such higher sum as may be prescribed;

- (ii) is indebted to UTI Capital Private Limited, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to UTI Capital Private Limited, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with UTI Capital Private Limited, or its subsidiary, or its holding or associate company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in (i), (ii) or (iii) above.

None of my relatives, for the purposes of (ii) and (iii) of (d) above -

- (i) is indebted to the Company, its holding, subsidiary or associate company or their promoters, or directors; or
 - (ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.
- (e) I, neither myself nor any of my relatives—
 - i. hold or has held the position of a key managerial personnel or is or has been employee of UTI Capital Private Limited or its holding, subsidiary or associate company in any of the three previous financial years, immediately preceding the financial year in which he is proposed to be appointed

(in case of relative who is an employee, the restriction shall not be applicable for his/her employment during preceding three financial years).

Annexure – V to DIRECTORS’ REPORT (Contd.)

- ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - a) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary, or associate company; or
 - b) any legal or a consulting firm that has or had any transaction with UTI Capital Private Limited, its holding, subsidiary, or associate company amounting to ten percent or more of the gross turnover of such firm.
- iii. hold, together with my relative’s two percent or more of the total voting power of the Company; or
- iv. is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five percent or more of its receipts from UTI Capital Private Limited, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of UTI Capital Private Limited

I possess the requisite qualifications as have been prescribed in the Companies (Appointment and Qualification of Directors) Rules, 2014 for being an Independent Director, which reads as follows:-

An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company’s business.

Date: _____

Place: _____

Sd/-

(Name)

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF UTI CAPITAL PRIVATE LIMITED
Report on the audit of Financial Statements

OPINION

We have audited the accompanying financial statements of **UTI CAPITAL PRIVATE LIMITED** (the Company), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirement that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during

the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

INDEPENDENT AUDITOR'S REPORT (Contd.)

if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

1. As required by The Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 In our opinion and to the best of our information and according to the explanation given to us the remuneration/sitting fees paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

INDEPENDENT AUDITOR'S REPORT (Contd.)

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company does not have any pending litigations;
- ii. The company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. The company is not required to transfer any amount to the Investor Education and Protection Fund, hence there is no such case of delay.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or other sources or kinds of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or lend or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the

notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. no dividend has been declared or paid during the year by the company

For **SAMRIA & CO.**
Chartered Accountants
FRN: 109043W

ADHAR SAMRIA
Partner
(Membership No.049174)

Place: Mumbai
Date: 20.04.2023
UDIN: 23049174BGP8684

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date)

1 Fixed Assets:

- 1.1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) The company is maintaining proper records showing full particulars of intangible assets.
- 1.2 All the Property, Plant and Equipment were physically verified by the Management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation, given to us, no discrepancies were noticed on such verification.
- 1.3 The Company does not hold any immovable properties. Accordingly, para 3(i)(c) of the Order is not applicable.
- 1.4 The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, para 3(i)(d) of the Order is not applicable.
- 1.5 According to information and explanations given to us, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2 Inventories:

- 2.1 Considering the nature of business, clause 3(ii) of the Order is not applicable.

3 Loans given and Investments made:

- 3.1 In our opinion and according to information and explanation given to us, the company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity. Accordingly, clause 3(iii)(a), of the Order is not applicable.
- 3.2 During the year the company has made investments in Equity shares of two unlisted companies. In our opinion and according to information and explanation given to us, the terms and conditions of investments are not prejudicial to the company's interest.
- 3.3 In our opinion and according to information and explanation given to us, the company has not provided loans or advances in the nature of loans,

or stood guarantee, or provided security to any other entity. Accordingly, clause 3(iii)(c) to 3(iii)(f), of the Order are not applicable.

4 Investment, Guarantees and Security:

- 4.1 During the year the company has made investments in Equity shares of two unlisted companies. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5 Deposit from Public:

- 5.1 In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits. Accordingly clause 3(v) of the Order is not applicable to the Company.

6 Maintenance of Cost Records:

- 6.1 According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of business carried out by the company. Accordingly clause 3(vi) of the Order is not applicable to the Company.

7 Remittance of Statutory Dues:

- 7.1 According to the information and explanations given to us, and on the basis of our examination of the books of account, the undisputed statutory dues of Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs and Duty of Excise, Value Added Tax and Cess and others as applicable have been generally regularly deposited by the Company with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as on 31st March, 2023 for a period of more than six months from the date they became payable.
- 7.2 There are no dues of Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs and Duty of Excise, Value Added Tax and Cess and others, which have not been deposited by the company on account of dispute.

8 Transactions not recorded in the books of accounts

- 8.1 In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of accounts which have been surrendered or disclosed as income during

INDEPENDENT AUDITOR'S REPORT (Contd.)

the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly clause 3(viii) of the Order is not applicable to the Company.

9 Default in repayment of loans or other borrowings:

- 9.1 According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- 9.2 According to the information and explanation given to us, the company is not declared a wilful defaulter by any bank or financial institution or other lender.
- 9.3 The company has not obtained any term loans during the year. Accordingly, para 3(ix)(c) of the Order is not applicable to the Company.
- 9.4 In our opinion and according to the information and explanation given to us, the company has not utilised funds raised on short term basis for long term purposes.
- 9.5 The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, para 3(ix)(e) of the Order is not applicable to the Company.
- 9.6 The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, para 3(ix)(f) of the Order is not applicable to the Company.

10 Money raised by way of Preferential Allotment:

- 10.1 According to the information and explanation given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, para 3(x)(a) of the Order is not applicable to the Company.
- 10.2 During the year, the company has made preferential allotment of shares to its holding company. In our opinion and according to the information and explanation given to us, the requirements of section 62 of the Companies Act, 2013 has been complied with and the funds raised has been used for the purposes for which the funds were raised.

11 Frauds:

- 11.1 During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud by the company or any fraud on the Company, noticed or reported during the year.

11.2 In our opinion and according to information and explanation given to us, there are no offence of fraud involving such amount or amounts as may be prescribed, is being or has been committed in the company by its officers or employees, accordingly the report under sub-section 12 of section 143 is not filed by the auditors with the central government.

22.3 As per the information and explanation given to us, the company has not received any whistle-blower complaints during the year.

12 Nidhi Company:

12.1 In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly clause 3(xii) of the order is not applicable.

13 Related Party Transactions:

13.1 In our opinion and according to information and explanation given to us, the company is in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

14 Internal Audit System:

- 14.1 In our opinion and according to information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business
- 14.2 The reports of the Internal Auditors for the period under audit were considered by us.

15 Non-Cash transactions with directors:

15.1 According to the records of the company examined by us, and information and explanation given to us, during the year the company has not entered into any non-cash transactions with its directors and hence provisions of section 192 of the companies act, 2013 are not applicable.

16 Registration under RBI Act, 1934:

16.1 The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) of the Order is not applicable.

17 Cash losses incurred by the company:

17.1 The company has incurred cash loss of INR 6.23 Cr during the current financial year and cash loss of INR 4.17 Cr during the immediately preceding financial year.

INDEPENDENT AUDITOR'S REPORT (Contd.)

18 Reporting on Auditor's resignation:

18.1 There has been no resignation of the statutory auditors during the year.

19 Material uncertainty in relation to financial assets and liabilities:

19.1 On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20 Corporate Social Responsibility:

20.1 In our opinion and according to the information and explanation given to us, the provision of section 135 of the Companies Act, 2013 is not applicable to the company. Accordingly, clause 3(xx) of the Order is not applicable to the company.

21 Reporting on Consolidated Financial Statement:

21.1 In our opinion as the company is not a holding company of any other company. Accordingly, clause 3(xi) of the Order is not applicable.

For **SAMRIA & CO.**
Chartered Accountants
FRN: 109043W

ADHAR SAMRIA
Partner
(Membership No.049174)

Place: Mumbai
Date: 20.04.2023
UDIN: 23049174BGPERRK8684

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of our report of even date.)

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

We have audited the internal financial controls over financial reporting of **UTI CAPITALPRIVATE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

INDEPENDENT AUDITOR'S REPORT (Contd.)**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SAMRIA & CO.**
Chartered Accountants
FRN: 109043W

ADHAR SAMRIA
Partner
(Membership No.049174)

Place: Mumbai
Date: 20.04.2023
UDIN: 23049174BGPERK8684

AUDITED BALANCE SHEET

AS AT 31ST MARCH, 2023

(₹ In crores)

| | Note | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---|------|--|--|
| I. ASSETS | | | |
| (1) Financial Assets | | | |
| (a) Cash and cash equivalents | 3 | 0.66 | 0.55 |
| (b) Bank balance other than (a) above | 4 | - | - |
| (c) Receivables | 5 | | |
| (i) Trade receivables | | 0.14 | 0.20 |
| (ii) Other receivables | | 0.09 | 0.27 |
| (d) Investments | 6 | 48.23 | 27.42 |
| (e) Other financial assets | 7 | 0.06 | 0.06 |
| Total Financial Assets | | 49.18 | 28.50 |
| (2) Non-Financial Assets | | | |
| (a) Current tax assets (net) | 8 | 0.16 | 0.20 |
| (b) Deferred Tax Asset | 14 | 2.91 | 1.33 |
| (c) Property, plant and Equipment | 9 | 0.05 | 0.04 |
| (d) Right of Use Asset | 10 | - | - |
| (e) Other Intangible Assets | 10a | - | 0.00 |
| (f) Other non-financial assets | 11 | 2.02 | 4.03 |
| Total Non-Financial Assets | | 5.13 | 5.60 |
| TOTAL ASSETS | | 54.31 | 34.10 |
| II. LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| (1) Financial Liabilities | | | |
| (a) Borrowings | | - | 3.00 |
| (b) (I) Trade payable | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 0.77 | 0.68 |
| (II) Other payable | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 0.13 | 0.11 |
| (c) Other financial liabilities | 13 | 3.13 | 1.77 |
| Total Financial Liabilities | | 4.03 | 5.56 |
| (2) Non-Financial Liabilities | | | |
| (a) Current tax liabilities (net) | 15 A | - | - |
| (b) Provisions | 15 B | 0.34 | 0.22 |
| (c) Other non-financial liabilities | 15 C | 0.30 | 0.19 |
| Total Non-financial liabilities | | 0.64 | 0.41 |
| (3) Equity | | | |
| (a) Equity Share Capital | 16 | 22.63 | 12.00 |
| (b) Other Equity | 17 | 27.01 | 16.13 |
| Total Equity | | 49.64 | 28.13 |
| TOTAL LIABILITY AND EQUITY | | 54.31 | 34.10 |

Summary of significant accounting policies & notes forming part of the financial statements

2

In terms of our Report of even date attached
For **Samria & Co.**
Chartered Accountants
Firm Registration No. 109043W

For and on behalf of the board
UTI CAPITAL PRIVATE LIMITED

Adhar Samria
Partner
Membership No. 049174
UDIN : 23049174BGPERK8684

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Place : Mumbai
Date : 20th April, 2023

Anant Seth
CFO

Ayushi Mittal
Company Secretary

AUDITED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ In crores)

| | Note | Quarter Ended | | | Year Ended | |
|--|------|------------------|---------------------|------------------|------------------|------------------|
| | | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | | (Audited) | (Reviewed) | (Audited) | (Audited) | (Audited) |
| I. Revenue from operations | 18 | | | | | |
| (i) Interest Income | | 0.11 | 0.06 | 0.01 | 0.25 | 0.05 |
| (ii) Dividend Income | | - | - | 0.05 | 0.03 | 0.22 |
| (iii) Net Gain on fair value changes | | 3.16 | 0.39 | 0.24 | 5.86 | 1.93 |
| (iv) Sale of services | | 1.55 | 1.61 | 1.12 | 5.59 | 5.34 |
| Total Revenue from operations | | 4.82 | 2.06 | 1.42 | 11.73 | 7.54 |
| II. Other Income | 19 | 0.02 | 0.16 | 0.08 | 0.18 | 0.14 |
| III. Total Income (I+II) | | 4.84 | 2.22 | 1.50 | 11.91 | 7.68 |
| EXPENSES | 20 | | | | | |
| (i) Finance Cost | | - | - | 0.06 | 0.04 | 0.24 |
| (ii) Fees and commission expense | | 0.85 | 0.76 | 0.68 | 2.90 | 2.46 |
| (iii) Net Loss on Fair Value Changes | | (0.64) | 0.01 | - | 1.31 | - |
| (iv) Employee benefits expense | | 3.49 | 2.06 | 2.86 | 9.73 | 6.85 |
| (v) Depreciation, amortisation and impairment | | 0.01 | 0.01 | 0.00 | 0.02 | 0.00 |
| (vi) Other expenses | | 1.09 | 0.64 | 0.54 | 2.80 | 1.13 |
| IV. Total Expenses | | 4.80 | 3.48 | 4.14 | 16.80 | 10.68 |
| V. Profit/(Loss) before exceptional items and tax (III-IV) | | 0.04 | (1.26) | (2.64) | (4.89) | (3.00) |
| VI. Exceptional Items | | | | - | - | - |
| VII. Profit/ (Loss) Before Tax (V-VI) | | 0.04 | (1.26) | (2.64) | (4.89) | (3.00) |
| VIII. Tax expenses | 21 | | | | | |
| Current Tax - Current year/period | | - | - | 0.06 | - | - |
| - Earlier year/period | | - | - | - | - | 0.06 |
| Deferred Tax - Current year/period | | (0.09) | (0.33) | 0.62 | (1.60) | (0.85) |
| MAT Credit Entitlement - Current year/period | | - | - | (0.06) | - | - |
| - Earlier year/period | | - | - | - | - | - |
| IX. Total tax expenses | | (0.09) | (0.33) | 0.62 | (1.60) | (0.79) |
| X. Profit/ (Loss) for the year (VIII-IX) | | 0.13 | (0.93) | (3.26) | (3.29) | (2.21) |
| XI. Other Comprehensive Income | | | | | | |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement gains/losses on defined benefit plan | | 0.02 | 0.00 | (0.01) | 0.09 | 0.02 |
| Income tax relating to items that will not be reclassified to profit or loss | | (0.01) | 0.00 | - | (0.02) | (0.01) |
| Other Comprehensive Income/(loss) for the year/period | | 0.01 | 0.00 | (0.01) | 0.07 | 0.01 |
| XII. Total comprehensive Income/ (loss) for the year/period (X+XI) | | 0.14 | (0.93) | (3.27) | (3.22) | (2.20) |
| Earning per equity share of face value of ₹ 10 | | | | | | |
| Basic (in ₹) (Refer Note 31) | | 0.07 | (0.51) | (2.72) | (1.81) | (1.84) |
| Diluted (in ₹) (Refer Note 31) | | 0.07 | (0.51) | (2.72) | (1.81) | (1.84) |

Summary of significant accounting policies & notes forming part of the financial statements

2

In terms of our Report of even date attached
For **Samria & Co.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174
UDIN : 23049174BGPERK8684

Place : Mumbai
Date : 20th April, 2023

I. Rahman
Director

Anant Seth
CFO

For and on behalf of the board
UTI CAPITAL PRIVATE LIMITED

Deepak Vaidya
Director

Rohit Gulati
CEO

Ayushi Mittal
Company Secretary

AUDITED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

| | Year Ended 31st March, 2023 (Audited) | Year Ended 31st March, 2022 (Audited) |
|---|---|---|
| (₹ In crores) | | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit (loss) before tax | (4.89) | (3.00) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 0.02 | 0.00 |
| Share Option Outstanding Account | 0.73 | 0.63 |
| Profit on redemption of units of mutual fund | (2.40) | (0.13) |
| Interest on borrowings and lease liabilities | 0.04 | 0.24 |
| Interest on units of Funds | (0.25) | (0.05) |
| Effect of IND AS for Fair Valuation of investments | (2.15) | (1.80) |
| Dividend income from investments | (0.03) | (0.22) |
| Remeasurement of Defined Benefit Plan Adjustment | 0.09 | 0.02 |
| Operating profit (loss) before working capital changes | (8.84) | (4.31) |
| Adjustments for change in working capital: | | |
| Decrease/(increase) in Financial Assets | 0.23 | (0.11) |
| Decrease/(increase) in Other Financial Assets | - | (0.04) |
| Decrease/(increase) in Non-Financial Assets | 2.01 | 1.45 |
| Decrease/(increase) in Current Tax Assets | 0.04 | 0.34 |
| Increase/(decrease) in Financial Liabilities | 1.47 | (0.28) |
| Increase/(decrease) in Non-Financial Liabilities | 0.22 | 0.05 |
| | 3.97 | 1.41 |
| Cash generated from operations | (4.87) | (2.90) |
| Direct tax paid (net of refunds) | - | - |
| Net cash from/ (used in) operating activities (A) | (4.87) | (2.90) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of investments | (30.56) | (2.79) |
| Redemption of investments | 11.90 | 5.54 |
| Profit on sale of MF | 2.40 | - |
| Interest Income | 0.25 | 0.05 |
| Dividend received | 0.03 | 0.22 |
| Net cash from/ (used in) investing activities (B) | (15.98) | 3.02 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Borrowings from holding company | - | - |
| Payment of Lease Liability | - | - |
| Loan Repayment | (3.00) | - |
| Issue of Share | 24.00 | - |
| Interest paid | (0.04) | (0.24) |
| Net cash from/ (used in) financing activities (C) | 20.96 | (0.24) |
| Net changes in cash and cash equivalents (A+B+C) | 0.11 | (0.12) |
| Cash and cash equivalents at the beginning of the year | 0.55 | 0.67 |
| Cash and cash equivalents at the end of the year | 0.66 | 0.55 |

Notes:

- Previous year figures have been regrouped or recast wherever, considered necessary.
- As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 33.
- The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 33.

4. Cash and cash equivalents consists of :

| Balances with banks: | | |
|-----------------------------|-------------|-------------|
| in current accounts | 0.66 | 0.55 |
| Total | 0.66 | 0.55 |

Summary of significant accounting policies & notes forming part of the financial statements

In terms of our Report of even date attached
For **Samria & Co.**
Chartered Accountants
Firm Registration No. 109043W

For and on behalf of the board
UTI CAPITAL PRIVATE LIMITED

Adhar Samria
Partner
Membership No. 049174
UDIN : 23049174BGP8K8684

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Place : Mumbai
Date : 20th April, 2023

Anant Seth
CFO

Ayushi Mittal
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

A EQUITY SHARE CAPITAL

(₹ In crores)

| | |
|---------------------------------|--------------|
| As at 31st March, 2021 | 12.00 |
| Changes in equity share capital | - |
| As at 31st March, 2022 | 12.00 |
| Changes in equity share capital | 10.63 |
| As at 31st March, 2023 | 22.63 |

B OTHER EQUITY

(₹ In crores)

| | Other Equity | | | Total |
|---|-------------------|------------------------------------|----------------------------|--------------|
| | Retained Earnings | Group Equity Awards Scheme Reserve | Securities Premium Account | |
| Balance as at 31st March, 2021 | 16.81 | 0.89 | - | 17.70 |
| Profit/ (loss) for the year | (2.21) | - | - | (2.21) |
| Add: Share-based compensation | - | 0.63 | - | 0.63 |
| Other comprehensive income | 0.01 | - | - | 0.01 |
| Total comprehensive income for the year | 14.61 | 1.52 | - | 16.13 |
| Balance as at 31st March, 2022 | 14.61 | 1.52 | - | 16.13 |
| Profit/ (loss) for the year | (3.29) | - | - | (3.29) |
| Add: Share-based compensation | - | 0.73 | - | 0.73 |
| Other comprehensive income | 0.07 | - | - | 0.07 |
| Shares Issued during the year | - | - | 13.37 | 13.37 |
| Total comprehensive income for the year | 11.39 | 2.25 | 13.37 | 27.01 |
| As at 31st March, 2023 | 11.39 | 2.25 | 13.37 | 27.01 |

- 1) Retained Earnings represent the accumulated earnings net of losses being made by the Company over the years.
- 2) Group Equity Awards Scheme Reserve represents the value of equity settled share based payment provided to employees as part of their remuneration.
- 3) Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Summary of significant accounting policies & notes forming part of the financial statements

In terms of our Report of even date attached
 For **Samria & Co.**
 Chartered Accountants
 Firm Registration No. 109043W

For and on behalf of the board
UTI CAPITAL PRIVATE LIMITED

Adhar Samria
 Partner
 Membership No. 049174
 UDIN : 23049174BGPERK8684

I. Rahman
 Director

Deepak Vaidya
 Director

Rohit Gulati
 CEO

Place : Mumbai
 Date : 20th April, 2023

Anant Seth
 CFO

Ayushi Mittal
 Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1 CORPORATE INFORMATION

UTI Capital Private Limited ("the Company") is a wholly owned subsidiary of UTI Asset Management Company Limited incorporated on 13th May, 2011 under the then Companies Act, 1956 (now Companies Act, 2013) is a Asset Management Company in terms of Rule 2 sub-rule 1 clause g of Companies (Indian Accounting Standards) Rules, 2016. The Company's business consists of managing funds and advisory services.

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The financial statements of the Company for the year ended 31st March, 2023 were authorised for issue in accordance with a resolution of Board of Directors passed on 20th April, 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Preparation and Presentation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The Company presents its Balance sheet in the order of Liquidity.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated except per share data.

New standards and interpretation

The Company has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

2.2. Revenue Recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and

provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognised from costs incurred to fulfil these contracts.

The Company has adopted Ind AS 115 w.e.f. 01st April, 2018 using the modified retrospective approach. Impact on the financial statements upon adoption of Ind AS 115 is considered in the financial statements. The impact is insignificant.

A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

- i) Management fees are accounted over a period of time for each of the management and advisory agreement entered. Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.
- ii) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
- iii) Dividend income is recognised when the Company's right to receive dividend is established.

Transaction price is accounted net of GST. Since GST is not received by the Company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

B. Contract Costs - In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalised and amortised over the contract term if the cost are expected to be recoverable. The Company does not capitalise incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

D. Contract assets and liabilities

Contract assets relate primarily to the Company's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognised in the Statement of Profit and Loss when the asset is disposed.

The Company provides depreciation on Property, plant and equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets.

Assets costing individually ₹ 5000 or less are depreciated at the rate of 100% on pro-rata basis

Right to Use Assets (ROU): The Company as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises, with the corresponding lease liabilities included in financial liabilities. Depreciation on ROU asset is being charged on the basis of Lease term.

2.4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.5 Investments and Other Financial Assets

1) Initial recognition and measurement

Financial assets are recognised when the Company becomes the party to the contractual provisions to the instruments. The Company determines the classification of its financial assets at initial recognition. All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Accordingly, initial recognition of Investments in Mutual Funds, Venture Funds and unquoted equity (other than subsidiaries) are recognised at fair value.

Loans to Employees, Interest Free Rent Deposits shall be measured at Amortised Cost which shall be the present value of all expected future repayments discounted at prevailing market rates.

2) Subsequent recognition and measurement

As per IND AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, if any loans given to employees at a rate lower than the market rate of interest will be measured at amortised cost using EIR. Rent Deposits given to Landlords which are interest free will also be given similar treatment.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

- c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. Accordingly investments in Mutual Funds and Venture Funds will be measured at fair value through profit and loss.

3) Investment in subsidiaries, Associates and Joint Ventures

The Company does not have any subsidiaries, associates and Joint Ventures.

4) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognised in Statement of Profit and loss when the Company's right to receive payment is established.

5) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

6) Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables and investments.

2.6 Financial Liabilities

1) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent recognition and measurement

As per IND AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets and liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3) Derecognition

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.7 Transactions in Foreign Currency

The Company financial statements are presented in '₹' which is also the Company's functional currency. Transactions in foreign currency are accounted for at the rate of exchange prevailing at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the Statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognised in the Statement of Profit and Loss and related Assets and Liabilities are accordingly restated in the Balance Sheet.

2.8 Employee Benefits Expenses

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to Provident Fund (PF). The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

Defined Benefit Plans :

Company's contribution in case of Gratuity and Leave Encashment are funded annually with the Life Insurance Corporation of India under the respective schemes, based on the actuarial valuation as per IND AS -19 'Employee Benefits' Actuarial valuation is based on a number of assumptions. These assumptions are reviewed at each reporting date.

2.9 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.10 Taxes on Income

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax:

Current tax is determined as the amount of tax payable in respect of taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax:

Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised for all deductible timing differences; carry forward of unused tax assets and unused tax losses only if there is reasonable virtual certainty that such deferred tax assets can be realised against future liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognises MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the sufficient period.

2.11 Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

2.12 Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

2.13 Leases

The Company's lease asset classes primarily consist of leases for building premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Transition:

Ind AS 116 Lease is applicable for financial reporting periods beginning on or after 01st April, 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a Right-of-Use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

2.14 Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised

in the period in which the estimates are revised and in any future periods affected.

2.15 Contingencies and Provisions

In accordance with Ind AS 37, provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

2.16 Taxes

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognised.

2.17 Fair value measurement

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

2.18 Impairment of Assets (Other than Financial Assets)

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

2.19 Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

2.20 Use of Estimates

The preparation of financial statements require the management of the Company to make estimation and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for loans & advances, provision for accrued benefits to employees, provision for income tax, provision for write back of diminution in the value of investment and the useful life of Property, Plant and Equipments. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognised prospectively in the current and future periods.

2.21 Share-based payment transactions

Certain employees of the Company receive remuneration in the form of equity awards consisting of equity shares of the holding company, The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the holding Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Group equity award scheme reserve.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

3 (A) CASH AND CASH EQUIVALENTS

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---------------------|--|--|
| Cash on Hand | - | - |
| Balances with banks | 0.66 | 0.55 |
| Total | 0.66 | 0.55 |

4 BANK BALANCE OTHER THAN 3(A) ABOVE

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|--------------|--|--|
| Others | - | - |
| Total | - | - |

5 RECEIVABLES

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|--|--|--|
| (i) Trade receivables | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| (Unsecured, Considered good) | - | - |
| Others | | |
| (Unsecured, Considered good) | 0.14 | 0.20 |
| Total | 0.14 | 0.20 |
| Trade receivables are non-interest bearing and credit period extended to them is 0 to 180 days | | |
| (ii) Other receivables | | |
| (Unsecured, Considered good) | | |
| (a) Receivable from Structured Debt Opportunities Fund I | 0.09 | - |
| (b) Receivable from Structured Debt Opportunities Fund II | - | - |
| (c) Receivable from Structured Debt Opportunities Fund III | - | - |
| (d) Receivable from Multi Opportunities Fund I | - | - |
| (e) Others | - | 0.27 |
| (f) Other advances | | |
| (Unsecured, Considered good) | - | - |
| Total | 0.09 | 0.27 |
| For transactions relating to related party refer note 30. | | |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
6 INVESTMENTS

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---|---|---|
| Investments carried at fair Value through Profit and Loss | | |
| Mutual funds - Quoted | | |
| 58,397 units of ₹ 1,000/- each of UTI Treasury Advantage Fund - Institutional Plan Direct Growth Option (31st March, 2022 - 77,794 units) | 17.78 | 22.50 |
| 12,887 units of ₹ 2,500/- each of UTI Money Market Fund - Direct Plan Growth (31st March, 2022 - Nil units) | 3.40 | - |
| Nil units of ₹ 1,000/- each of UTI Money Market Fund - Institutional Daily Dividend Re-investment (31st March, 2022 - 129 units) | - | 0.01 |
| Nil units of ₹ 1,000/- each of UTI Money Market Fund - Institutional Direct Plan - Daily Dividend Re-investment (31st March, 2022 - 33,294 units) | - | 3.43 |
| Other - Unquoted | | |
| 22,280 units of ₹ 100/- each of UTI Structured Debt Opportunities Fund I Class D1 - Regular Units (31st March, 2022 - 45,027 units) | 0.21 | 0.48 |
| 99,995 units of ₹ 100/- each of UTI Structured Debt Opportunities Fund II Class D1 - Regular Units (31st March, 2022 - 99,995) | 1.02 | 1.00 |
| 32,050 units of ₹ 100/- each of UTI Structured Debt Opportunities Fund III - Class D1 (31st March, 2022 - Nil) | 0.33 | - |
| 4,20,636 units of ₹ 100/- each of UTI Multi Opportunities Fund I (31st March, 2022 - Nil) | 4.39 | - |
| Equity Shares - Unquoted | 21.10 | - |
| Total | 48.23 | 27.42 |
| Aggregate book value of quoted investments | 21.18 | 25.94 |
| Aggregate book value of unquoted investments | 27.05 | 1.48 |
| Aggregate market value of quoted investments | 21.18 | 25.94 |
| Aggregate market value of unquoted investments | 27.05 | 1.48 |

7 OTHER FINANCIAL ASSETS

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|----------------------------------|---|---|
| Other financial assets | - | - |
| Other bank balances | - | - |
| Others | | |
| Rent and other security deposits | 0.06 | 0.06 |
| Advances recoverable in cash | - | - |
| Total | 0.06 | 0.06 |

8 CURRENT TAX ASSETS (NET)

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|--|---|---|
| Balance with government authorities - | | |
| Advance Direct Tax (net of provisions) | 0.16 | 0.20 |
| Total | 0.16 | 0.20 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

9 PROPERTY, PLANT AND EQUIPMENTS

(₹ In crores)

| Description of Assets | Office Equipments | Computers | Total |
|---|-------------------|-------------|-------------|
| I. At Cost at 31st March, 2021 | 0.01 | - | 0.01 |
| Additions | - | 0.05 | 0.05 |
| Disposals | - | - | - |
| At cost at 31st March, 2022 | 0.01 | 0.05 | 0.06 |
| Additions | - | 0.02 | 0.02 |
| Disposals | - | - | - |
| At cost at 31st March, 2023 | 0.01 | 0.07 | 0.08 |
| II. Depreciation Upto 31st March, 2021 | 0.00 | - | 0.00 |
| Depreciation charged for the year | 0.00 | 0.00 | 0.00 |
| Disposals | - | - | - |
| Depreciation Upto 31st March, 2022 | 0.01 | 0.00 | 0.01 |
| Depreciation charged for the year | 0.00 | 0.02 | 0.02 |
| Disposals | - | - | - |
| Upto 31st March, 2023 | 0.01 | 0.02 | 0.03 |
| Net book value | | | |
| As at 31st March, 2023 | 0.00 | 0.05 | 0.05 |
| As at 31st March, 2022 | 0.00 | 0.04 | 0.04 |
| As at 31st March, 2021 | 0.00 | - | 0.00 |

10 RIGHT OF USE ASSETS

(₹ In crores)

| Description of Assets | Leased Premises | Total |
|--|-----------------|----------|
| I. At cost at 31st March, 2021 | - | - |
| Additions | - | - |
| Disposals | - | - |
| At cost at 31st March, 2022 | - | - |
| Additions | - | - |
| Disposals | - | - |
| At cost at 31st March, 2023 | - | - |
| II. Depreciation Upto 31st March, 2021 | - | - |
| Depreciation / Amortisation charged for the year | - | - |
| Disposals | - | - |
| Depreciation upto 31st March, 2022 | - | - |
| Depreciation / Amortisation charged for the year | - | - |
| Disposals | - | - |
| Upto 31st March, 2023 | - | - |
| Net book value | | |
| As at 31st March, 2023 | - | - |
| As at 31st March, 2022 | - | - |
| As at 31st March, 2021 | - | - |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
10A OTHER INTANGIBLE ASSETS

(₹ In crores)

| Description of Assets | Leased Premises | Total |
|---|-----------------|-------------|
| I. At cost at 31st March, 2021 | 0.00 | 0.00 |
| Additions | - | - |
| Disposals | - | - |
| At cost at 31st March, 2022 | 0.00 | 0.00 |
| Additions | - | - |
| Disposals | 0.00 | 0.00 |
| At cost at 31st March, 2023 | 0.00 | 0.00 |
| II. Depreciation Upto 31st March, 2021 | 0.00 | 0.00 |
| Amortisation charged for the year | - | - |
| Disposals | - | - |
| Depreciation upto 31st March, 2022 | 0.00 | 0.00 |
| Amortisation charged for the year | 0.00 | 0.00 |
| Disposals | - | - |
| Upto 31st March, 2023 | 0.00 | 0.00 |
| Net book value | | |
| As at 31st March, 2023 | 0.00 | 0.00 |
| As at 31st March, 2022 | 0.00 | 0.00 |
| As at 31st March, 2021 | 0.00 | 0.00 |

11 OTHER NON-FINANCIAL ASSETS

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|----------------------|--|--|
| Others Assets | | |
| Prepaid expenses | 1.79 | 3.89 |
| Indirect taxes | 0.23 | 0.14 |
| Total | 2.02 | 4.03 |

12 FINANCIAL LIABILITIES

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---|--|--|
| (a) Borrowings | | |
| Unsecured | | |
| Loans from related parties | - | 3.00 |
| Total | - | 3.00 |
| The loan carries Interest @8% p.a and is repayable on demand. Loan includes interest of ₹ Nil (31st March, 2022 : ₹ Nil). | | |
| (b) (I) Trade Payables (refer note 24) | | |
| i) total outstanding dues of micro enterprises and small enterprises | - | - |
| ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 0.77 | 0.68 |
| Total | 0.77 | 0.68 |
| (II) Other Payables (refer note 24) | | |
| i) total outstanding dues of micro enterprises and small enterprises | - | - |
| ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 0.13 | 0.11 |
| Total | 0.13 | 0.11 |

Terms and conditions of the above financial liabilities:

Trade payables and other payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract. In the opinion of the management, the balances of Payables are stated at book value and are payable.

For transactions relating to related party payables refer note 30.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

13 OTHER FINANCIAL LIABILITIES

(₹ in crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------------|-----------------------------------|-----------------------------------|
| | (Audited) | (Audited) |
| Employee benefits payable | 2.59 | 1.50 |
| Lease Liabilities | - | - |
| Advance from Customer | 0.28 | - |
| Security deposits received | 0.26 | 0.27 |
| Total | 3.13 | 1.77 |

14 DEFERRED TAX LIABILITY (NET)

(₹ in crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|--|-----------------------------------|-----------------------------------|
| | (Audited) | (Audited) |
| i) Deferred tax liability: | | |
| Fair Value of Investments | 1.99 | 1.52 |
| On Lease Obligations | - | - |
| Others | 0.01 | 0.56 |
| | 2.00 | 2.08 |
| ii) Deferred tax assets : | | |
| Depreciation and amortisation | 0.01 | 0.00 |
| Employee retirement benefits obligation | 0.02 | 0.05 |
| On Lease Obligations | - | - |
| Income tax losses | 4.00 | 2.48 |
| Total | 4.03 | 2.53 |
| iii) MAT Credit Entitlement | (0.88) | (0.88) |
| Net Deferred tax liability/(assets) | (2.91) | (1.33) |

15A CURRENT TAX LIABILITIES (NET)

(₹ in crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------------|-----------------------------------|-----------------------------------|
| | (Audited) | (Audited) |
| Tax provision (net of advances) | - | - |
| Total | - | - |

15B PROVISIONS

(₹ in crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|--|-----------------------------------|-----------------------------------|
| | (Audited) | (Audited) |
| Provision for Employee benefits | | |
| Defined Benefit Obligation (Gratuity) | 0.10 | 0.14 |
| Defined Benefit Obligation (Leave) | 0.09 | 0.08 |
| for Expenses | 0.15 | - |
| Total | 0.34 | 0.22 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
15C OTHER NON-FINANCIAL LIABILITIES

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|------------------------|---|---|
| Statutory dues payable | 0.30 | 0.19 |
| Total | 0.30 | 0.19 |

16 EQUITY SHARE CAPITAL

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|--|---|---|
| Authorised | | |
| 5,50,00,000 (31st March, 2022-15,000,000) Equity shares of ₹ 10/- each | 55.00 | 15.00 |
| Issued, subscribed and fully paid up | | |
| 2,26,33,584 (31st March, 2022-12,000,000) Equity shares of ₹ 10/- each | 22.63 | 12.00 |

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

(₹ in crores)

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------------------|--------------|------------------------------------|--------------|
| | Number of Equity shares | ₹ | Number of Equity shares | ₹ |
| At the beginning of the year | 1,20,00,000 | 12.00 | 1,20,00,000 | 12.00 |
| Add: Share Issued on exercise of Employee Stock Options during the year | - | - | - | - |
| Add: Share issued during the year* | 1,06,33,584 | 10.63 | - | - |
| Bought back during the reporting year | - | - | - | - |
| Outstanding at the end of the year | 2,26,33,584 | 22.63 | 1,20,00,000 | 12.00 |

*During the year, the company had issued 1,06,33,584 Equity Shares having face value of ₹ 10 each at premium of ₹ 12.57 each on 01st September, 2022 to its holding company UTI Assets Management Company Limited.

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL
d) Details of share held by holding company:

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---------------------------------------|-------------------------------|------------------|-------------------------------|------------------|
| | No. of shares | % Holding | No. of shares | % Holding |
| Equity shares of ₹10 each fully paid | | | | |
| UTI Assets Management Company Limited | 2,26,33,584 | 100 | 1,20,00,000 | 100 |
| | 2,26,33,584 | 100 | 1,20,00,000 | 100 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

e) Details of shareholders holding more than 5% shares in the Company:

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|------------------------|------------|------------------------|------------|
| | No. of shares | % Holding | No. of shares | % Holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| UTI Assets Management Company Limited and its nominees | 2,26,33,584 | 100 | 1,20,00,000 | 100 |
| | 2,26,33,584 | 100 | 1,20,00,000 | 100 |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

f) Share Based Payment to Employees under Employee Stock Option Scheme

The Holding Company (UTI AMC Limited.) has Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme 2007", which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till three years as per plan. Each option entitles the holder thereof to apply for and be allotted / transferred one equity share of the Parent Company upon payment of the exercise price during the exercise period.

g) Shareholding of Promoters

Shares held by promoters at the end of the year 31st March, 2023

| Promoters Name | Nos. of Shares | % of total shares | % change during the year |
|------------------------------------|----------------|-------------------|--------------------------|
| UTI Assets Management Co. Limited. | 2,26,32,984 | 100.00 | 0.00 |
| Imtaiyazur Rahman | 100 | 0.00 | 0.00 |
| Surojit Saha | 100 | 0.00 | 0.00 |
| Vinay Lakhota | 100 | 0.00 | 0.00 |
| Vivek Maheshwari | 100 | 0.00 | 0.00 |
| Sandeep Samsi | 100 | 0.00 | 0.00 |
| Indranil Choudhury | 100 | 0.00 | 0.00 |

Shares held by promoters at the end of the year 31st March, 2022

| Promoters Name | Nos. of Shares | % of total shares | % change during the year |
|------------------------------------|----------------|-------------------|--------------------------|
| UTI Assets Management Co. Limited. | 1,19,99,400 | 100.00 | 0.00 |
| Imtaiyazur Rahman | 100 | 0.00 | 0.00 |
| Surojit Saha | 100 | 0.00 | 0.00 |
| Vinay Lakhota | 100 | 0.00 | 0.00 |
| Vivek Maheshwari | 100 | 0.00 | 0.00 |
| Sandeep Samsi | 100 | 0.00 | 0.00 |
| Indranil Choudhury | 100 | 0.00 | 0.00 |

17 OTHER EQUITY

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---|--|--|
| i) Securities Premium Account | | |
| Balance as per the last financial statements | - | - |
| Add: Premium on Shares issued during the year | 13.37 | - |
| Net Balance | 13.37 | - |
| ii) Retained Earnings | | |
| Balance as per the last financial statements | 14.75 | 16.96 |
| Profit/ (loss) for the year | (3.29) | (2.21) |
| Net Balance | 11.46 | 14.75 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crores)

| | As at 31st March, 2023 (Audited) | As at 31st March, 2022 (Audited) |
|---|---|---|
| iii) Group Equity Awards Scheme Reserve | | |
| Balance as per the last financial statements | 1.52 | 0.89 |
| Add: Share-based compensation | 0.73 | 0.63 |
| Less: Share options exercised during the year | - | - |
| Net Balance | 2.25 | 1.52 |
| iv) Other comprehensive Income (OCI) | | |
| Balance as per the last financial statements | (0.14) | (0.15) |
| Add: Movement in Other Comprehensive Income (net) during the year | 0.07 | 0.01 |
| Net Balance | (0.07) | (0.14) |
| Total Other Equity (i+ii+iii+iv) | 27.01 | 16.13 |

(A) Nature and purpose of reserve
i) Securities Premium Account

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

ii) Retained Earnings

Retained earnings are the profits that a Company has earned to date, less any dividends or any other distribution paid to the shareholders, net of utilisation as permitted under applicable regulations.

iii) Group Equity Awards Scheme Reserve

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

18 REVENUE FROM OPERATIONS

(₹ in crores)

| | Quarter Ended | | | Year Ended | |
|--|---|---|---|---|---|
| | 31st March, 2023 (Audited) | 31st December, 2022 (Reviewed) | 31st March, 2022 (Audited) | 31st March, 2023 (Audited) | 31st March, 2022 (Audited) |
| | | | | | |
| (i) Interest Income | | | | | |
| Other interest Income | 0.11 | 0.06 | 0.01 | 0.25 | 0.05 |
| Total | 0.11 | 0.06 | 0.01 | 0.25 | 0.05 |
| (ii) Dividend Income | | | | | |
| on Investments | - | - | 0.05 | 0.03 | 0.22 |
| Total | - | - | 0.05 | 0.03 | 0.22 |
| (iii) Net gain on fair value changes | | | | | |
| Net gain/loss on financial instruments at fair value through profit or loss | | | | | |
| On Mutual Funds | (0.28) | 0.37 | 0.24 | 2.39 | 1.92 |
| On Equity Shares | 3.26 | - | - | 3.26 | - |
| On Alternative Investment Funds | 0.18 | 0.02 | - | 0.21 | 0.01 |
| Net gain/(loss) on fair value changes | 3.16 | 0.39 | 0.24 | 5.86 | 1.93 |
| Fair value changes | | | | | |
| Realised | 0.08 | 0.02 | 0.05 | 2.40 | 0.13 |
| Unrealised | 3.08 | 0.37 | 0.19 | 3.46 | 1.80 |
| | 3.16 | 0.39 | 0.24 | 5.86 | 1.93 |
| (iv) Sale of Services | | | | | |
| Management fees | 1.37 | 1.61 | 1.07 | 5.40 | 5.27 |
| Setup fees | 0.18 | - | 0.05 | 0.19 | 0.07 |
| Total | 1.55 | 1.61 | 1.12 | 5.59 | 5.34 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
19 OTHER INCOME

(₹ in crores)

| | Quarter Ended | | | Year Ended | |
|--------------------------------------|------------------------|---------------------------|------------------------|------------------------|------------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Audited) | (Reviewed) | (Audited) | (Audited) | (Audited) |
| Credit balances written back | - | 0.15 | 0.07 | 0.15 | 0.07 |
| Exchange differences (net) | - | - | - | - | 0.01 |
| Income from AIF Investments | 0.02 | 0.00 | - | 0.02 | 0.01 |
| Interest income on income tax refund | 0.00 | 0.01 | 0.01 | 0.01 | 0.05 |
| Total | 0.02 | 0.16 | 0.08 | 0.18 | 0.14 |

20 EXPENSES

(₹ in crores)

| | Quarter Ended | | | Year Ended | |
|--|------------------------|---------------------------|------------------------|------------------------|------------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Audited) | (Reviewed) | (Audited) | (Audited) | (Audited) |
| (i) Finance Cost | | | | | |
| Interest on | | | | | |
| Loan | - | - | 0.06 | 0.04 | 0.24 |
| Total | - | - | 0.06 | 0.04 | 0.24 |
| (ii) Fees and commission expense | | | | | |
| Marketing fees and Commission | 0.85 | 0.76 | 0.68 | 2.90 | 2.46 |
| Total | 0.85 | 0.76 | 0.68 | 2.90 | 2.46 |
| (iii) Net Loss on fair value changes | | | | | |
| On Mutual Funds | (0.67) | - | - | 1.27 | - |
| On Alternative investment Funds | 0.03 | 0.01 | - | 0.04 | - |
| Total | (0.64) | 0.01 | - | 1.31 | - |
| (iv) Employee benefits expense | | | | | |
| Salaries and wages | 3.22 | 1.76 | 2.62 | 8.71 | 5.99 |
| Contribution to provident and other funds | 0.03 | 0.03 | 0.03 | 0.13 | 0.10 |
| Gratuity expense | 0.01 | 0.01 | 0.02 | 0.05 | 0.06 |
| Leave encashment expense | 0.03 | 0.02 | 0.02 | 0.08 | 0.04 |
| Expenses on the Group Equity Award Scheme | 0.19 | 0.23 | 0.18 | 0.73 | 0.64 |
| Staff welfare expenses | 0.01 | 0.01 | 0.01 | 0.03 | 0.02 |
| Total | 3.49 | 2.06 | 2.88 | 9.73 | 6.85 |
| For transactions relating to related party payables refer note 30. | | | | | |
| (v) Depreciation, amortisation and impairment | | | | | |
| Depreciation of tangible assets | 0.01 | 0.01 | 0.00 | 0.02 | 0.00 |
| Amortisation of intangible assets | - | - | - | - | - |
| Depreciation of Leased Assets | - | - | - | - | - |
| Total | 0.01 | 0.01 | 0.00 | 0.02 | 0.00 |
| (vi) Other expenses | | | | | |
| Rent | 0.10 | 0.10 | 0.12 | 0.39 | 0.45 |
| Rates and taxes | - | - | - | 0.00 | 0.00 |
| Travelling and conveyance | 0.08 | 0.03 | 0.02 | 0.20 | 0.03 |
| Communication costs | - | - | - | 0.01 | 0.01 |
| Printing and stationery | 0.02 | - | - | 0.03 | 0.01 |
| Legal and professional fees | 0.48 | 0.19 | 0.15 | 0.77 | 0.24 |
| Directors sitting fees | 0.02 | 0.04 | 0.02 | 0.10 | 0.06 |
| Payment to auditors (Refer (i) below) | 0.03 | 0.01 | 0.03 | 0.06 | 0.06 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crores)

| | Quarter Ended | | | Year Ended | |
|--|------------------------|---------------------------|------------------------|------------------------|------------------------|
| | 31st March, 2023 | 31st December, 2022 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| | (Audited) | (Reviewed) | (Audited) | (Audited) | (Audited) |
| Membership Fees and Subscription | - | - | 0.01 | 0.01 | 0.05 |
| Advertising and business promotion | 0.01 | - | 0.02 | 0.03 | 0.02 |
| Other expenses | 0.35 | 0.27 | 0.18 | 1.20 | 0.20 |
| Total | 1.09 | 0.64 | 0.54 | 2.80 | 1.13 |
| For transactions relating to related party refer note 30 | | | | | |
| (i) Payment to auditors | | | | | |
| As auditors: | | | | | |
| Audit fees | 0.03 | - | 0.03 | 0.03 | 0.03 |
| Limited review fees | - | 0.01 | - | 0.03 | 0.03 |
| Certification and other matters | - | - | - | - | - |
| | 0.03 | 0.01 | 0.03 | 0.06 | 0.06 |

21 TAX EXPENSE
The major components of income tax for the year are as under:

(₹ in crores)

| | Year Ended 31st March, 2023 | Year Ended 31 March, 2022 |
|---|--------------------------------|------------------------------|
| Income tax related to items recognised directly in the statement of profit and loss | | |
| Current tax – current year | - | - |
| Current tax – earlier year | - | 0.06 |
| Deferred tax charge / (benefit) | (1.60) | (0.85) |
| MAT credit entitlement – current year | - | - |
| MAT credit entitlement – earlier year | - | - |
| Total | (1.60) | (0.79) |
| Effective Tax Rate | 32.75% | 26.42% |

Deferred tax recognised in statement of other comprehensive income

(₹ in crores)

| For the year ended | 31st March, 2023 | 31 March, 2022 |
|---|------------------|----------------|
| Employee retirement benefits obligation | (0.02) | (0.01) |

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 26% for the year ended 31st March, 2023. Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 14.

Deferred tax recognised in statement of profit and loss

(₹ in crores)

| For the year ended | 31st March, 2023 | 31 March, 2022 |
|--|------------------|----------------|
| Depreciation and amortisation | 0.00 | 0.00 |
| Provision for Mark to Market on Open Contracts | 0.47 | 0.40 |
| Other disallowances | (0.55) | (0.55) |
| Deferred Tax liability on Lease Obligations | - | - |
| Deferred Tax asset on Lease Obligations | - | - |
| Unabsorbed losses | (1.52) | (0.70) |
| Total Deferred Tax Charge/(Credit) | (1.60) | (0.85) |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crores)

| Reconciliation of deferred tax assets / (liabilities) net: | Year Ended 31st March, 2023 | Year Ended 31 March, 2022 |
|--|--------------------------------|------------------------------|
| Opening balance | 1.33 | 0.48 |
| Deferred tax (charge)/credit recognised in | | |
| - Statement of profit and loss | 1.60 | 0.85 |
| - Lease | - | - |
| - Recognised in other comprehensive income | (0.02) | (0.01) |
| Total | 2.91 | 1.33 |
| MAT Credit entitlement | - | - |
| Total | 2.91 | 1.33 |

Unused tax losses

The Company has accumulated unused tax business losses of ₹ 15.80 crores (31st March, 2022 : ₹ 9.94 crores). The losses are available for offsetting against future taxable income of the Company subject to maximum 8 years starting from assessment year in which such loss is incurred. Deferred tax assets has been recognised in respect of these unused tax losses considering reasonable certainty. However, Deferred tax asset has not been created on Long term capital loss of ₹ 0.57 crores available with the Company.

22 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(₹ In crores)

| | As on 31st March, 2023 | | | As on 31st March, 2022 | | |
|---|------------------------|-----------------|--------------|------------------------|-----------------|--------------|
| | Within 12 months | After 12 Months | Total | Within 12 months | After 12 Months | Total |
| I ASSETS | | | | | | |
| (1) Financial Assets | | | | | | |
| (a) Cash and cash equivalents | | - | - | - | - | - |
| (b) Bank balance other than (a) above | 0.66 | - | 0.66 | 0.55 | - | 0.55 |
| (c) Receivables | | | | | | |
| (i) Trade receivables | 0.14 | - | 0.14 | 0.20 | - | 0.20 |
| (ii) Other receivables | 0.09 | - | 0.09 | 0.27 | - | 0.27 |
| (d) Investments | 48.23 | | 48.23 | 27.42 | - | 27.42 |
| (e) Other financial assets | 0.06 | - | 0.06 | 0.06 | - | 0.06 |
| Total Financial Assets | 49.18 | - | 49.18 | 28.50 | - | 28.50 |
| (2) Non-Financial Assets | | | | | | |
| (a) Current tax assets (net) | - | 0.16 | 0.16 | - | 0.20 | 0.20 |
| (b) Deferred Tax Asset | - | 2.91 | 2.91 | - | 1.33 | 1.33 |
| (c) Property, plant and Equipment | - | 0.05 | 0.05 | - | 0.04 | 0.04 |
| (d) Right to Use Asset | - | - | - | - | - | - |
| (e) Other Intangible Assets | - | - | - | - | 0.00 | 0.00 |
| (f) Other non-financial assets | 0.85 | 1.17 | 2.02 | 2.69 | 1.34 | 4.03 |
| Total Non-Financial Assets | 0.85 | 4.29 | 5.13 | 2.69 | 2.91 | 5.60 |
| TOTAL ASSETS | 50.03 | 4.29 | 54.31 | 31.19 | 2.91 | 34.10 |
| II LIABILITIES AND EQUITY | | | | | | |
| LIABILITIES | | | | | | |
| (1) Financial Liabilities | | | | | | |
| (a) (I) Trade payable | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 0.77 | - | 0.77 | 0.68 | - | 0.68 |
| (II) Other payable | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 0.13 | - | 0.13 | 0.11 | - | 0.11 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ In crores)

| | As on 31st March, 2023 | | | As on 31st March, 2022 | | |
|--|------------------------|-----------------|-------------|------------------------|-----------------|-------------|
| | Within 12 months | After 12 Months | Total | Within 12 months | After 12 Months | Total |
| (b) Borrowings | - | - | - | 3.00 | - | 3.00 |
| (c) Other financial liabilities | 3.13 | - | 3.13 | 1.77 | - | 1.77 |
| Total Financial Liabilities | 4.03 | - | 4.03 | 5.56 | - | 5.56 |
| (2) Non-Financial Liabilities | | | | | | |
| (a) Current tax liabilities (net) | - | - | - | - | - | - |
| (b) Provisions | 0.15 | 0.19 | 0.34 | - | 0.22 | 0.22 |
| (c) Other non-financial liabilities | 0.30 | - | 0.30 | 0.19 | - | 0.19 |
| Total Non-financial liabilities | 0.45 | 0.19 | 0.64 | 0.19 | 0.22 | 0.41 |

23 (i) Contingent Liabilities

The Company has no contingent liabilities as at 31st March, 2023 (₹ Nil as on 31st March, 2022).

(ii) Litigation

The Company has no pending litigations as at 31st March, 2023 (₹ Nil as on 31st March, 2022).

(iii) Capital Commitments

The Company has no capital commitments as at 31st March, 2023 (₹ Nil as on 31st March, 2022).

24 MICRO, SMALL AND MEDIUM ENTERPRISES

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Principal amount remaining unpaid to any supplier as at the year end | - | - |
| Interest due thereon | - | - |
| Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year | - | - |
| Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

25 SEGMENT INFORMATION

The Company is primarily engaged in the managing funds and advisory services. There are no 'reportable segment' as per the definition contained in Ind AS 108 'Operating Segments'. Hence there is no separate reportable segment. The secondary segment is geographical segment, which is given as under:

| | (₹ In crores) | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Segment revenue | | |
| India | 11.73 | 7.35 |
| Outside India | - | 0.19 |
| Segment assets | | |
| India | 51.18 | 32.52 |
| Outside India | - | - |
| Unallocable | 3.13 | 1.58 |

Information about major customers

There are three customers accounting for more than 10% of revenue, amounting to ₹ 5.53 crores (31st March, 2022 : Two Customers, revenue of ₹ 5.16 crores).

26 FINANCIAL RISK MANAGEMENT

The Company has an exposure to the following risks arising from financial instruments:

- A. Credit Risk
- B. Liquidity Risk
- C. Market Risk

Risk Management Framework:

The Company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

A. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Trade receivables:

Major portion of trade receivables include the management fees and advisory services receivable from clients. Based on the past experience, management expects to receive these amounts without any default. The Company has not made any loans to employees or any other person or entity.

| | (₹ In crores) | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Trade receivables | | |
| Less than Six months | 0.14 | 0.20 |
| Six months - 1 year | - | - |
| 1-2 year | - | - |
| 2-3 year | - | - |
| More than 3 years | - | - |
| Total | 0.14 | 0.20 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

Following is the exposure of the Company towards credit risk:

(₹ In crores)

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--------------------------|------------------------|------------|------------------------|------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial Assets: | | | | |
| Trade receivables | 0.14 | 0.14 | 0.20 | 0.20 |
| Other Receivables | 0.09 | 0.09 | 0.27 | 0.27 |

B. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Following is the exposure of the Company towards liquidity risk;

(₹ In crores)

| | Carrying Amount | As at 31st March, 2023 | | |
|--------------------------------|-----------------|------------------------|-----------|-------------------|
| | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | |
| Borrowings | - | - | - | - |
| Trade payables | 0.77 | 0.77 | - | - |
| Other payables | 0.13 | 0.13 | - | - |
| Other financial liabilities | 3.13 | 3.13 | - | - |

(₹ In crores)

| | Carrying Amount | As at 31st March, 2022 | | |
|--------------------------------|-----------------|------------------------|-----------|-------------------|
| | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | |
| Borrowings | 3.00 | 3.00 | - | - |
| Trade payables | 0.68 | 0.68 | - | - |
| Other payables | 0.11 | 0.11 | - | - |
| Other financial liabilities | 1.77 | 1.77 | - | - |

C. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. All of the Company's interest rate risk exposure is at a fixed rate.

The Company does not have variable rate instruments.

Foreign currency risk:

The Company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that Company. The management has taken a position not to hedge this currency risk.

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The following table sets forth information relating to foreign currency exposure;

(Amounts in US\$)

| Currency | 31st March, 2023 | 31st March, 2022 |
|-----------------------------|------------------|------------------|
| United States Dollar (US\$) | - | - |

Foreign currency sensitivity analysis :

The following table demonstrates the sensitivity to a 10% increase / decrease in foreign currencies with all other variable held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date.

(₹ In crores)

| | Sensitive Analysis | | | |
|-----------------------------|------------------------|-----------------|------------------------|-----------------|
| | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | Decrease by 10% | Increase by 10% | Decrease by 10% | Increase by 10% |
| United States Dollar (US\$) | - | - | - | - |

27 FAIR VALUE HIERARCHY :

The Following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities:

(₹ In crores)

| Financial Assets | 31st March, 2023 | 31st March, 2022 | Fair Value Hierarchy | Valuation technique(s) & key inputs used |
|------------------------------|------------------|------------------|----------------------|---|
| Investments in Mutual Funds | 21.18 | 25.94 | Level 1 | NAV declared by the funds. |
| Investments in AIF Units | 5.95 | 1.48 | Level 2 | NAV declared by the funds. |
| Investments in Equity Shares | 21.10 | - | Level 3 | Based on NAV Method, valuation carried by Independent Valuer. |

Valuation techniques used to determine fair value;

- Investment included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/or NAV declared by the Funds.
- Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI and NAV declared by Funds.
- Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

28 CAPITAL MANAGEMENT :

Capital includes issued capital and other equity reserves attributable to the shareholders. The primary objective of the Company's capital management is to maximise the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below:

(₹ In crores)

| Trade receivables | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Borrowings | - | 3.00 |
| Trade Payable | 0.77 | 0.68 |
| Other Payable | 0.13 | 0.11 |
| Other financial liabilities | 3.13 | 1.77 |
| Less: Cash and Cash equivalents | (0.66) | (0.55) |
| Adjusted Net Debt (a) | 3.37 | 5.01 |
| Total Equity (b) | 49.64 | 28.13 |
| Adjusted Net Debt to Total Equity Ratio (a/b) | 0.07 | 0.18 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
29 EMPLOYEE BENEFITS

The Disclosures as per Ind AS 19 - Employee Benefits is as follows:

A) Defined Contribution Plans

“Contribution to provident and other funds” is recognised as an expense in Note 20(iv) “Employee benefit expenses” of the Statement of Profit and Loss.

B) Defined Benefit Plans

The Employees’ Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits managed by LIC of India is a defined benefit plan.

Defined Benefit plans

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| I. Expenses recognised during the year | | |
| Current service cost | 0.05 | 0.06 |
| Interest cost | 0.01 | 0.01 |
| Benefits paid | - | - |
| Actuarial losses / (gains) | - | - |
| Total Expenses | 0.06 | 0.07 |
| II. Amount recognised in other comprehensive income (OCI) | | |
| Opening amount recognised in OCI outside profit and loss account | 0.19 | 0.22 |
| Remeasurements during the period due to | - | - |
| - Changes in financial assumptions | (0.01) | (0.01) |
| - Changes in demographic assumptions | - | - |
| - Experience adjustments | (0.08) | (0.02) |
| - Actual return on plan assets less interest on plan assets | - | - |
| - Adjustment to recognise the effect of asset ceiling | - | - |
| Closing amount recognised in OCI outside profit and loss account | 0.10 | 0.19 |
| III. Net Asset/ (Liability) to be recognised in the Balance sheet as at | | |
| Present value of obligation as at the end of the year | 0.28 | 0.33 |
| Fair value of plan assets as at the end of the year | 0.18 | 0.19 |
| Asset/ (Liability) to be recognised at the end of the year (Refer note to (IV) below) | (0.10) | (0.14) |
| IV. Reconciliation of Net Liability / Assets : | | |
| Opening net defined benefit liability/(assets) | 0.14 | 0.13 |
| Expense charged to profit and loss account | 0.05 | 0.06 |
| Amount recognised outside profit and loss account | (0.09) | (0.02) |
| Employer contributions | (0.01) | (0.03) |
| Closing net defined benefit liability/(assets) | 0.09 | 0.14 |
| V. Reconciliation of benefit obligation during the inter-valuation period: | | |
| Opening net defined benefit obligation | 0.33 | 0.28 |
| Current service cost | 0.05 | 0.06 |
| Past service cost | - | - |
| Interest on defined benefit obligation | 0.02 | 0.02 |
| Remeasurements due to | - | - |
| - Actuarial loss/(gain) arising from change in financial assumptions | (0.01) | (0.01) |
| - Actuarial loss/(gain) arising from change in demographic assumptions | - | - |
| - Actuarial loss/(gain) arising on account of experience changes | (0.08) | (0.02) |
| Benefits paid | (0.02) | - |
| Closing of defined benefit obligation | 0.29 | 0.33 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| VI. Reconciliation of the plan assets during the inter-valuation period: | | |
| Opening fair value of plan assets | 0.19 | 0.15 |
| Employer contribution | 0.01 | 0.03 |
| Interest on plan assets | 0.02 | 0.01 |
| Administration Expenses | - | - |
| Remeasurements due to | | |
| - Actual return on plan assets less interest on plan assets | - | - |
| Benefits paid | (0.02) | - |
| Closing of defined benefit obligation | 0.20 | 0.19 |
| VII. The following payments are expected to defined benefit plan in future years : | | |
| Expected benefits for year 1 | 0.01 | 0.01 |
| Expected benefits for year 2 to year 5 | 0.05 | 0.05 |
| Expected benefits beyond year 5 | 0.54 | 0.64 |
| VIII. Actuarial Assumptions : | | |
| Discount rate | 7.30% | 6.75% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Mortality | IALM (2012-14) | IALM (2012-14) |

IX. Sensitivity Analysis :

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

| | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|------------------------|---------|------------------------|---------|
| | Discount Rate | Salary | Discount Rate | Salary |
| Defined benefit obligation on increase in 50 bps | 0.27 | 0.29 | 0.31 | 0.34 |
| Impact of increase in 50 bps on DBO | (4.37)% | 4.69% | (4.83)% | 4.51% |
| Defined benefit obligation on decrease in 50 bps | 0.29 | 0.27 | 0.35 | 0.31 |
| Impact of decrease in 50 bps on DBO | 4.65% | (4.44)% | 5.17% | (4.89)% |

Notes :

- The current service cost recognised as an expense is included in Note 20(iv) 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

C) Other long term benefits

The obligation for leave benefits (funded) is also recognised using the projected unit credit method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 20(iv) 'Employee benefits expense'.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
30 RELATED PARTY TRANSACTIONS :
Holding Company

UTI Asset Management Company Limited

Key Management Personnel

Mr. I. Rahman (Director)

Mr. Flemming Madsen (Director)

Mr. Deepak Calian Vaidya (Independent Director)

Mr. Narasimhan Seshadri (Independent Director)

Ms. Geeta Dutta Goel (Independent Director)

Mr. Rohit Gulati (Chief Executive Officer)

Mr. Anant Seth (Chief Financial Officer)*

Mr. Ashutosh Binayake (Chief Financial Officer)*

Ms. Ayushi Mittal (Company Secretary)

Transactions with Related parties:

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------------|---------------------------|---------------------------|
| Holding Company | | |
| Rent Paid | - | 0.05 |
| Reimbursement of Expenses paid | - | - |
| Borrowings | (3.00) | - |
| Interest expenses | 0.04 | 0.24 |
| Key Managerial Personnel | | |
| Sitting Fees Paid | 0.10 | 0.06 |
| Remuneration | | |
| Chief Executive Officer | 2.67 | 2.31 |
| Company Secretary | 0.14 | 0.05 |
| Chief Financial Officer | 0.44 | 0.54 |

(₹ In crores)

| Balances as at | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------------------|---------------------------|---------------------------|
| Borrowings | | |
| Holding Company | - | 3.00 |
| Other current liabilities | | |
| Holding Company | - | - |
| Other receivables | | |
| Holding Company | - | - |

*Mr. Anant Seth appointed as Chief Finance Officer (CFO) on 20th July, 2022. Further Mr. Ashutosh Binayake ceased to be CFO w.e.f. 20th July, 2022.

31 EARNINGS PER SHARE

(₹ In crores)

| Balances as at | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Profit/(Loss) after tax (₹ In crores) | (3.29) | (2.21) |
| Weighted average number of equity shares (Numbers) | | |
| - for Basic /Diluted EPS | 1,82,05,352 | 1,20,00,000 |
| Face value of equity share (₹/ share) | 10 | 10 |
| Basic / Diluted earnings per share (₹) | (1.81) | (1.84) |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

32 DISCLOSURES AS REQUIRED BY IND AS 115

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Revenue Consist of following | | |
| Interest Income | 0.25 | 0.05 |
| Dividend Income | 0.03 | 0.22 |
| Sale of Services | 5.59 | 5.34 |
| Net Gain/ loss on fair value changes | 3.46 | 1.80 |
| Net Gain/loss on sale of mutual fund & other investments | 2.40 | 0.13 |
| Total | 11.73 | 7.54 |
| Revenue Disaggregation by Industrial Verticle & Geography is as follows | | |
| Financial Services/ India | 11.73 | 7.35 |
| Financial Services/ Outside India | - | 0.19 |
| Total | 11.73 | 7.54 |
| Timing of Revenue Recognition | | |
| Services transferred at point in time | 6.08 | 2.22 |
| Services transferred over period in time | 5.65 | 5.32 |
| Total | 11.73 | 7.54 |

33 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities required by IND AS 7 "Statement of Cash Flows" as under;

(₹ In crores)

| | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Opening Balance | 3.00 | 3.05 |
| Cash inflow (outflow) | 20.96 | (0.27) |
| Non cash changes- interest unpaid | 0.04 | 0.22 |
| As at 31st March, 2023 (31st March, 2022) | 24.00 | 3.00 |

34 DIVIDEND RECOMMENDATION:

The Board has not recommended any dividend to the shareholders for the Financial year 2022-2023.

35 INFORMATION REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

- The Company has not granted any loan or given any guarantee or provided any security during the year covered under the provision of the Section 186 of the Companies Act 2013.
- There are no investments made other than disclosed in Note 6.

36 EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding Company (UTI AMC Limited.) has Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme 2007", which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till three years as per plan. Each option entitles the holder thereof to apply for and be allotted / transferred one equity share of the Parent Company upon payment of the exercise price during the exercise period.

Details of ESOS

| Particulars | ESOS 2007 December 2019 | ESOS 2007 July 2021 | ESOS 2007 September 2022 |
|----------------------------------|----------------------------|------------------------|-----------------------------|
| Date of Grant | 16th December, 2019 | 28th July, 2021 | 13th September, 2022 |
| Price of Underlying Stock (In ₹) | 728 | 923.2 | 816.05 |
| Exercise / Strike Price (In ₹) | 728* | 923.2 | 816.05 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Particulars | ESOS 2007 December 2019 | ESOS 2007 July 2021 | ESOS 2007 September 2022 |
|--|----------------------------|------------------------|-----------------------------|
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | | | |
| Risk Free Interest Rate | 6.33% | 5.51% | 6.91% |
| Expected Dividend | ₹ 5 per share | ₹ 17 per share | ₹ 21 per share |
| Expected Life (years) | 4 Years | 4.17 Years | 4.14 Years |
| Expected Volatility | 39.78% | 30.44% | 35.66% |
| Weighted Average Fair Value (In ₹) | 276 | 260.07 | 256.55 |

* as determined by the external independent valuer as at 16th December, 2019 which was approved by the Nomination & Remuneration Committee of the Board of Directors of the Company.

The information covering stock options granted, exercised, forfeited and outstanding at the period ended is as follows:

| Particulars | ESOS 2007 December 2019 No. of stock options as at 31st March, 2023 | ESOS 2007 July 2021 No. of stock options as at 31st March, 2023 | ESOS 2007 September 2022 No. of stock options as at 31st March, 2023 |
|---|---|---|--|
| Date of Grant | 16th December, 2019 | 28th July, 2021 | 13th September, 2022 |
| Outstanding at the beginning of the year | 43,891 | 31,838 | - |
| Granted during the year | - | - | 35,688 |
| Exercised during the year | - | - | - |
| Forfeited during the year | - | - | - |
| Lapsed/expired during the year | - | - | - |
| Outstanding at the end of the year | 43,891 | 31,838 | 35,688 |
| Vested and exercisable | - | - | - |

Share options outstanding at the end of the year have the following expiry date and exercise prices:

| Grant Date | Expiry Date | Exercise Price | Outstanding as at 31st March, 2023 |
|----------------------|----------------------|----------------|---------------------------------------|
| 16th December, 2019 | 16th December, 2025 | 728 | 43,891 |
| 28th July, 2021 | 28th July, 2029 | 923.2 | 31,838 |
| 13th September, 2022 | 13th September, 2030 | 816.05 | 35,688 |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

The model inputs for options granted during the period ended 31st March, 2023 included:

| Particulars | ESOS 2007 December 2019 No. of stock options as at 31st March, 2023 | ESOS 2007 July 2021 No. of stock options as at 31st March, 2023 | ESOS 2007 September 2022 No. of stock options as at 31st March, 2023 |
|--|---|---|--|
| Expected - Weighted average volatility | 39.78% | 30.44% | 35.66% |
| Expected dividends | ₹ 5 per share | ₹ 17 per share | ₹ 21 per share |
| Expected term (In years) | 4 Years | 4.17 Years | 4.14 Years |
| Risk free rate | 6.33% | 5.51% | 6.91% |
| Exercise price | 728.00 | 923.20 | 816.05 |
| Market price | 728.00 | 923.20 | 816.05 |
| Grant date | 16th December, 2019 | 28th July, 2021 | 13th September, 2022 |
| Expiry date | 16th December, 2025 | 28th July, 2029 | 13th September, 2030 |
| Fair value of the option at grant date | 276 | 260.07 | 256.55 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

As on the date of grant, in case of schemes ESOS 2007 – issued on 16th December, 2019, the Holding Company (UTI AMC Limited.) being an unlisted Company, the expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

As on the date of grant in case of ESOS 2007 – issued on 28th July, 2021 and 13th September, 2022, the Holding Company (UTI AMC Limited.) being listed, trading history of the Company and its comparable companies listed on the stock exchange was considered. The volatility derived from this stock had been annualised for the purpose of this valuation.

Expense arising from share-based payment transactions

(₹ In crores)

| Assumptions | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Employee stock option scheme (equity settled) | 0.73 | 0.64 |

37 RATIO ANALYSIS

| Ratios | As at 31st March, 2023 | As at 31st March, 2022 | Variance (%) | Reason for Variation |
|---|---------------------------|---------------------------|--------------|---|
| Current Ratio (In Times) | 11.35 | 4.95 | 129.04 | Increase in current assets during the year. |
| Return on Equity Ratio (in %) | - | - | | |
| Trade Receivables turnover ratio (in Times) | 32.94 | 19.24 | 71.25 | Increase in revenue during the year. |
| Net profit ratio (in %) | - | - | | |
| Return on Capital employed (in %) | - | - | | |

38 TRADE PAYABLES AGING SCHEDULE

| Particulars | As at 31st March, 2023 | | | |
|-------------------|------------------------|-------------|----------------------|-----------------|
| | MSME | Others | Disputed dues – MSME | Disputed dues – |
| Less than 1 year | - | 0.77 | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | - | 0.77 | - | - |

| Particulars | As at 31st March, 2022 | | | |
|-------------------|------------------------|-------------|----------------------|-----------------|
| | MSME | Others | Disputed dues – MSME | Disputed dues – |
| Less than 1 year | - | 0.68 | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | - | 0.68 | - | - |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

39 UTI Capital Private Limited (the “Company”) under the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020, received a license as the Co-Investment Portfolio Manager (“CPM”). The Company provides services to investors of AIFs managed by it, as permitted under the Portfolio Managers Regulations. As at 31st March, 2023, the operations under CPM were limited and the Company has onboarded few Investors.

40 The Company has obtained certificate of registration to act as a Registered Fund Management Entity (non-retail) from the International Financial Services Centers Authority (IFSCA) as per Regulation 3(4)(b) of the IFSCA (Fund Management) Regulations 2022 (“Regulations”) to manage funds domiciled at International Financial Services Centre located at Gift City Ahmedabad. Accordingly a branch of the Company has been set-up at IFSC Gift City (Ahmedabad) under Regulation 5(1) of the Regulations. As per Second Schedule read with Regulation 8(2) of the Regulations a net-worth of ₹ equivalent of US\$ 500,000 has to be maintained at parent / head office level at all times. As on 31st March, 2023 the Company is still in the process of setting up operations at Gift City.

41 PRIOR YEAR COMPARATIVES

Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current period classifications / disclosures. Figures in brackets pertain to previous year.

In terms of our Report of even date attached
For **Samria & Co.**
Chartered Accountants
Firm Registration No. 109043W

For and on behalf of the board
UTI CAPITAL PRIVATE LIMITED

Adhar Samria
Partner
Membership No. 049174
UDIN : 23049174BGP8684

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Place : Mumbai
Date : 20th April, 2023

Anant Seth
CFO

Ayushi Mittal
Company Secretary

UTI ASSET MANAGEMENT COMPANY LIMITED

Consolidated Financial Statement

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INDEPENDENT AUDITOR'S REPORT

To the Members of UTI Asset Management Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of UTI Asset Management Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate / consolidated financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at

31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph a. of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate / consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How the matter was addressed in our audit |
|--|---|
| <p>Revenue Recognition: Investment Management Fees (Refer to the Significant Accounting Policy 2.7- Revenue Recognition and Note 25 to consolidated financial statements - Revenue from Operations)</p> <p>The Holding Company's most significant revenue stream involve investment management fees from the schemes of UTI Mutual Fund representing 79.19% of the total revenue from operations of the Company.</p> <p>We have identified revenue from investment management fees as a key audit matter since –</p> <ul style="list-style-type: none"> there are inherent risks in computation of investment management fees due to manual input of key contractual terms and computation of applicable assets under management ("AUM"), which could result in errors. multiple schemes of UTI Mutual Fund require effective monitoring over key financial terms and conditions being captured and applied accurately. Any discrepancy in such computations could result in misstatement of investment management fee recognized in the standalone financial statements. | <p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>Testing of design and operating effectiveness of controls:</p> <ul style="list-style-type: none"> Testing on a sample basis, authorization controls relating to input and subsequent modification of investment management fee rate in the system through specific team members ("STM") with expertise in Information Technology ("IT"). Testing general information technology controls of the systems used for computation and recording of investment management fees through STM with expertise in IT. Testing system logic of computation through STM with expertise in IT. Testing on a sample basis, review controls over accrual of investment management fee in the system. Examining the monthly concurrent auditor reports on daily net assets value computation of the schemes of UTI Mutual Fund. |

INDEPENDENT AUDITOR’S REPORT (Contd.)

| Key audit matter | How the matter was addressed in our audit |
|--|--|
| | <p>Substantive tests:</p> <ul style="list-style-type: none"> • Testing investment management fee rates approval by authorised personnel. • Testing key inputs into the IT systems in relation to investment management fee accounting with source documents, and re-performed calculations involving manual processes, on a sample basis. • Testing the investment management fee invoices with the underlying supporting and reconciling it with the accounting records. • Testing the receipts of investment management fee income in the bank statements. • Examining the monthly concurrent auditor reports on daily net assets value computation of the schemes of UTI Mutual Fund and impact of observations on investment management fees. |
| <p>Information Technology (IT) systems and controls</p> <p>The Company’s key financial accounting and reporting processes are dependent on the automated controls in the information systems. There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated.</p> | <p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Evaluating the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system computation, and the consistency of data transmission. • Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. • Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. • Testing change management control for information technology application / General IT controls which were changed during the year. • Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. • Performing alternate procedures by testing compensatory controls for areas where IT controls were not relied upon. <p>Inspecting SOC 1 type 2 report issued as per Standards for Attestation Engagement No. 18 (SSAE 18) and International Standards for Assurance Engagements No. 3402 (ISAE 3402) for database and operating controls residing at the service provider.</p> |

INDEPENDENT AUDITOR'S REPORT (Contd.)

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S AND BOARD OF DIRECTORS'/ TRUSTEES' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit / loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies / the Trustee of the Fund included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company / Fund and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies / the

Trustee of the Fund included in the Group are responsible for assessing the ability of each company / Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors / the Trustee either intends to liquidate the company / the Fund or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies / the Trustee of the Fund included in the Group are responsible for overseeing the financial reporting process of each company / Fund.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained,

INDEPENDENT AUDITOR'S REPORT (Contd.)

whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other Companies included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph a. of the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 812.50 crore as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 211.66 crore and net cash flows (before consolidation adjustments) amounting to Rs. (125.35) crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

The Holding Company has one subsidiary (the 'Consolidating Subsidiary') located outside India. The Consolidating Subsidiary has its four subsidiaries located outside India. The Consolidating Subsidiary has prepared the consolidated financial statements in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the consolidated financial statements of the Consolidating Subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditor on the consolidated financial statements of the Consolidating Subsidiary and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report(s) of the other auditors on separate / consolidated financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate / consolidated financial statements of the subsidiaries, as noted in the "Other Matter" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2023.
 - d.
 - (i) The management has represented that, to the best of its knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies incorporated in India ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

INDEPENDENT AUDITOR'S REPORT (Contd.)

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) above contain any material misstatement.
- e. The final dividend paid by the Holding Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 48 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or its subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of subsidiary companies incorporated in India which were not audited by us, the remuneration paid / payable during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid / payable to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

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

Sameer Mota

Partner

Place: Jaipur

Date: 26 April 2023

Membership No.: 109928

ICAI UDIN: 23109928BGYAXN9859

INDEPENDENT AUDITOR'S REPORT (Contd.)**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Sameer Mota
Partner
Membership No.: 109928
ICAI UDIN: 23109928BGYAXN9859

Place: Jaipur
Date: 26 April 2023

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(REFERRED TO IN PARAGRAPH [2(A)(F)] UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

Opinion

In conjunction with our audit of the consolidated financial statements of UTI Asset Management Company Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies incorporated in India, as were audited by the other auditors, the Holding Company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based

on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matter.

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

Sameer Mota
Partner

Place: Jaipur
Date: 26 April 2023

Membership No.: 109928
ICAI UDIN: 23109928BGYAXN9859

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2023

(₹ in crore)

| Particulars | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|--|----------|------------------------|------------------------|
| I. ASSETS | | | |
| (1) Financial assets | | | |
| Cash and cash equivalents | 3 | 209.45 | 173.42 |
| Bank balance other than Cash and cash equivalents | 4 | 147.76 | 225.13 |
| Receivables | 5 | | |
| Trade Receivables | | 93.81 | 80.09 |
| Other Receivables | | - | 0.41 |
| Loans | 6 | 11.46 | 13.60 |
| Investments | 7 | 3,247.90 | 2,994.44 |
| Other Financial Assets | 8 | 10.90 | 66.35 |
| Total Financial Assets | | 3,721.28 | 3,553.44 |
| (2) Non-financial assets | | | |
| Current Tax Assets (Net) | 9 | 38.22 | 38.54 |
| Investment Property | 10 | 9.17 | 9.69 |
| Property, Plant and Equipments | 11 | 261.48 | 249.77 |
| Right of use assets | 12 | 93.81 | 90.97 |
| Capital work in progress | 13 | 6.48 | 6.55 |
| Intangible assets under development | 14 | 2.58 | 1.78 |
| Other Intangible Assets | 15 | 3.95 | 6.90 |
| Other Non Financial Assets | 16 | 37.96 | 25.40 |
| Total Non-Financial Assets | | 453.65 | 429.60 |
| TOTAL ASSETS | | 4,174.93 | 3,983.04 |
| II. LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| (1) Financial liabilities | | | |
| Payables | | | |
| Trade Payables | 17 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 0.54 | 0.38 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 54.57 | 38.92 |
| Other payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | | 0.26 | - |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 77.21 | 75.47 |
| Other financial liabilities | 18 | 121.32 | 156.70 |
| Total Financial Liabilities | | 253.90 | 271.47 |
| (2) Non- financial liabilities | | | |
| Current Tax Liabilities (Net) | 19 | 12.62 | 8.86 |
| Provisions | 20 | 10.76 | 24.46 |
| Deferred Tax Liabilities (Net) | 21 | 15.20 | 28.56 |
| Other Non Financial liabilities | 22 | 14.61 | 18.11 |
| Total Non - Financial Liabilities | | 53.19 | 79.99 |
| Equity | | | |
| Equity Share Capital | 23 | 126.98 | 126.95 |
| Other Equity | 24 | 3,740.86 | 3,493.22 |
| Equity attributable to owners of the Company | | 3,867.84 | 3,620.17 |
| Non-controlling interests | | - | 11.41 |
| Total Equity | | 3,867.84 | 3,631.58 |
| TOTAL LIABILITIES AND EQUITY | | 4,174.93 | 3,983.04 |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

Sameer Mota
Partner
Membership Number: 109928

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Surojit Saha
Chief Finance Officer

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Arvind Patkar
Company Secretary
(ACS 21577)

Place: Jaipur
Date: 26th April, 2023

Place: Jaipur
Date: 26th April, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

| Particulars | Note No. | (₹ in crore) | |
|---|----------|--------------------------------|--------------------------------|
| | | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| INCOME | | | |
| Revenue from Operations | 25 | | |
| Interest Income | | 23.68 | 9.70 |
| Lease Income | | 13.02 | 11.44 |
| Net Gain on Fair Value Changes | | 98.79 | 179.09 |
| Sale of Services | | 1,131.37 | 1,118.85 |
| Total Revenue from operations | | 1,266.86 | 1,319.08 |
| Other Income | 26 | 23.23 | 8.19 |
| Total Income | | 1,290.09 | 1,327.27 |
| EXPENSES | | | |
| Finance Cost | 27 | 9.55 | 9.18 |
| Fees and Commission Expense | 28 | 2.89 | 2.65 |
| Employee Benefit Expenses | 29 | 414.53 | 406.71 |
| Depreciation, amortisation and Impairment | 30 | 39.94 | 36.82 |
| Other Expenses | 31 | 237.56 | 211.73 |
| Total Expenses | | 704.47 | 667.09 |
| Profit/(Loss) before exceptional items and tax | | 585.62 | 660.18 |
| Exceptional items | | - | - |
| Profit before tax | | 585.62 | 660.18 |
| Tax expenses | 32 | | |
| Current Tax | | 136.38 | 145.65 |
| Tax adjustments for the earlier years | | - | 0.06 |
| Deferred Tax | | 9.56 | (20.12) |
| Total tax expenses | | 145.94 | 125.59 |
| Profit for the year from continuing operations | | 439.68 | 534.59 |
| Profit / (loss) from discontinued operations | | - | - |
| Tax expense of discontinued operations | | - | - |
| Profit / (loss) from discontinued operations(after tax) | | - | - |
| PROFIT ATTRIBUTABLE TO: | | | |
| Owners of the Company | | 437.36 | 534.29 |
| Non-controlling interests | | 2.32 | 0.30 |
| Other comprehensive income | | | |
| A (i) Items that will not be reclassified to profit & loss Remeasurement of defined benefit liability (asset) | | 10.04 | 5.17 |
| (ii) Income Tax relating to items that will not be reclassified to profit and loss | | (2.51) | (1.37) |
| Total Other Comprehensive Income | | 7.53 | 3.80 |
| Profit for the year | | | |
| Other comprehensive income attributable to: | | | |
| Owners of the Company | | 7.53 | 3.80 |
| Non-controlling interests | | - | - |
| Total other comprehensive income for the year | | 7.53 | 3.80 |
| Total comprehensive income attributable to: | | | |
| Owners of the Company | | 444.89 | 538.09 |
| Non-controlling interests | | 2.32 | 0.30 |
| Total comprehensive income | | 447.21 | 538.39 |
| Earning per Equity Share (for continuing operation) | 35 | | |
| [Nominal value of share ₹ 10 (31st March, 2021 : ₹10)] | | | |
| Basic (in ₹) | | 34.45 | 42.12 |
| Diluted (in ₹) | | 34.44 | 41.96 |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of

UTI Asset Management Company Limited**D K Mehrotra**Non Executive Chairman
(DIN: 00142711)**Surojit Saha**

Chief Finance Officer

Imtaiyazur RahmanManaging Director & Chief Executive Officer
(DIN: 01818725)**Arvind Patkar**Company Secretary
(ACS 21577)**Sameer Mota**

Partner

Membership Number: 109928

Place: Jaipur

Date: 26th April, 2023

Place: Jaipur

Date: 26th April, 2023

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

| | (₹ in crore) | |
|--|--|--|
| | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net profit & Loss Before Taxation | 585.62 | 660.18 |
| Adjustment for | | |
| Depreciation and amortisation expenses | 39.94 | 36.82 |
| Interest Income | (23.68) | (9.70) |
| Lease Income | (13.02) | (11.44) |
| Finance Cost | 9.55 | 9.18 |
| Exchange differences on translating the financial statements of a foreign operations | 42.82 | 2.77 |
| Expenses on the employee stock option scheme | 20.08 | 21.67 |
| (Gain) / Loss on fair value changes | (98.79) | (179.09) |
| Amortisation of Other Financial Instrument | 0.67 | 0.77 |
| (Profit) / Loss on Sale of Property, Plant and Equipments | 0.16 | 0.09 |
| Operating Profit Before Working Capital Changes | 563.35 | 531.25 |
| ADJUSTMENT FOR CHANGES IN WORKING CAPITAL | | |
| (Increase)/ Decrease in Loans | 2.14 | 2.40 |
| (Increase)/ Decrease in Trade Receivables | (13.72) | (34.57) |
| (Increase)/ Decrease in Other Receivables | 0.41 | (0.09) |
| (Increase)/ Decrease in other financial assets | 55.58 | (20.67) |
| (Increase)/ Decrease in other Non Financial Assets | (13.22) | (0.96) |
| Increase/ (Decrease) in - Trade Payables | 15.81 | (1.48) |
| Increase/ (Decrease) in - Other Payables | 2.00 | 21.86 |
| Increase/ (Decrease) in Other Financial Liabilities | (42.16) | 6.60 |
| Increase/ (Decrease) in Provisions | (27.07) | (42.14) |
| Increase/ (Decrease) in Other Non Financial Liabilities | (5.82) | 4.13 |
| | (26.05) | (64.92) |
| CASH GENERATED FROM OPERATIONS | 537.30 | 466.33 |
| Less : Income Tax Paid | (141.87) | (129.29) |
| Net cash generated from Operating Activities | 395.43 | 337.04 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipments/ Other intangible assets | (108.94) | (84.09) |
| Proceeds from sale of property, plant and equipments | 57.03 | 46.23 |
| Interest Income | 23.68 | 9.70 |
| Lease Income | 13.02 | 11.44 |
| Purchase of Investments | (176.09) | (222.18) |
| Proceeds from sale of Investments | 98.79 | 179.09 |
| Net cash used in investing activities | (92.51) | (59.81) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend Paid | (266.62) | (215.54) |
| Proceeds from issue of equity share capital (including securities premium) | 2.55 | 11.78 |
| Principle element of lease payments* | 6.76 | (2.32) |
| Interest element of lease payments* | (9.55) | (9.18) |
| Share application money pending allotment | (0.03) | 0.03 |
| Net cash used in Financing Activities | (266.89) | (215.23) |
| Net Increase/ (Decrease) in cash and cash equivalent | 36.03 | 62.00 |
| Cash and cash equivalents at the beginning of the period | 173.42 | 111.42 |
| Cash and cash equivalents at the end of the year | 209.45 | 173.42 |
| COMPONENTS OF CASH AND CASH EQUIVALENT | | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| On balances with banks | 209.45 | 173.42 |
| Cash on hand | - | - |
| | 209.45 | 173.42 |

* The reconciliation of lease liabilities arising from the financial activity is disclosed in Note No 43

Note: The Group has elected to present cash flows from operating activities using the indirect method and items of income or expense associated with investing or financing cash flows are presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

Sameer Mota
Partner
Membership Number: 109928

Place: Jaipur
Date: 26th April, 2023

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Surojit Saha
Chief Finance Officer

Place: Jaipur
Date: 26th April, 2023

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Arvind Patkar
Company Secretary
(ACS 21577)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

A EQUITY SHARE CAPITAL

1. Current reporting period:

| | Balance at the beginning of the reporting year i.e. 1st April, 2022 | Changes in Equity Share Capital due to prior period errors | Share Option Outsanding Account | Share application money pending allotment | Retained Earnings | Foreign Currency Translation Reserve | Capital Redemption Reserve | Other Comprehensive Income | Total | Total attributable to the owners of the Company | Attributable to NCI |
|--|---|--|---------------------------------|---|-------------------|--------------------------------------|----------------------------|----------------------------|-------|---|---------------------|
| Balance at the beginning of the reporting year i.e. 1st April, 2022 | 126.95 | - | - | - | - | - | - | - | - | - | - |
| Changes in equity share capital during 1st April, 2022 to 31st March, 2023 | - | - | - | - | - | - | 0.03 | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - | - | - | - | - | - | - |
| Balance at the end of the reporting year i.e. 31st March, 2023 | 126.95 | - | - | - | - | - | 0.03 | - | - | - | - |

2. Previous reporting period:

| | Balance at the beginning of the reporting year i.e. 1st April 2021 | Changes in Equity Share Capital due to prior period errors | Share Option Outsanding Account | Share application money pending allotment | Retained Earnings | Foreign Currency Translation Reserve | Capital Redemption Reserve | Other Comprehensive Income | Total | Total attributable to the owners of the Company | Attributable to NCI |
|--|--|--|---------------------------------|---|-------------------|--------------------------------------|----------------------------|----------------------------|-------|---|---------------------|
| Balance at the beginning of the reporting year i.e. 1st April 2021 | 126.79 | - | - | - | - | - | - | - | - | - | - |
| Changes in equity share capital during 1st April, 2021 to 31st March, 2022 | - | - | - | - | - | - | 0.16 | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - | - | - | - | - | - | - |
| Balance at the end of the reporting year i.e. 31st March, 2022 | 126.79 | - | - | - | - | - | 0.16 | - | - | - | - |

B OTHER EQUITY

1. Current reporting period:

| Particulars | General Reserve | Securities Premium Account | Share Option Outsanding Account | Share application money pending allotment | Retained Earnings | Foreign Currency Translation Reserve | Capital Redemption Reserve | Other Comprehensive Income | Total | Total attributable to the owners of the Company | Attributable to NCI |
|--|-----------------|----------------------------|---------------------------------|---|-------------------|--------------------------------------|----------------------------|----------------------------|-----------------|---|---------------------|
| Opening balance as at 1st April, 2022 | 152.02 | 47.23 | 58.23 | 0.03 | 3,208.78 | 43.62 | 0.45 | (17.14) | 3,493.22 | 3,493.22 | - |
| i. Profit for the year | - | - | - | - | 437.36 | - | - | - | 437.36 | 437.36 | - |
| Transfer from OCI | - | - | - | - | 0.13 | - | - | - | 0.13 | 0.13 | - |
| ii. Other Comprehensive income - Remeasurement gain/(loss) of the defined benefit plans (net of tax) | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | - | - | 437.49 | - | - | - | 437.49 | 437.49 | - |
| iii. Final Equity Dividend Paid | - | - | - | - | (266.62) | - | - | - | (266.62) | (266.62) | - |
| iv. Transfer from Share Options Outstanding Account to Retained Earnings (towards options exercised) | - | - | - | - | 0.44 | - | - | - | 0.44 | 0.44 | - |
| v. Transfer from Foreign Currency Translation Reserve | - | - | - | - | - | - | - | - | - | - | - |
| vi. Additions during the year | - | 2.49 | 20.08 | - | - | 46.72 | - | 7.51 | 76.80 | 76.80 | - |
| vii. Utilised during the year | - | - | (0.44) | (0.03) | - | - | - | - | (0.48) | (0.48) | - |
| viii. Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - |
| Transaction with the owners of the Company | - | 2.49 | 19.64 | (0.03) | (266.17) | 46.72 | - | 7.51 | (189.85) | (189.85) | - |
| Closing balance as at 31st March, 2023 | 152.02 | 49.72 | 77.87 | 0.0 | 3,380.09 | 90.34 | 0.45 | (9.63) | 3,740.86 | 3,740.86 | - |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

| Particulars | (₹ in crore) | | | | | | | | | | |
|---|-----------------|----------------------------|----------------------------------|---|-------------------|--------------------------------------|----------------------------|----------------------------|-----------------|---|---------------------|
| | General Reserve | Securities Premium Account | Share Option Outstanding Account | Share application money pending allotment | Retained Earnings | Foreign Currency Translation Reserve | Capital Redemption Reserve | Other Comprehensive Income | Total | Total attributable to the owners of the Company | Attributable to NCI |
| Opening balance as at 1st April, 2021 | 152.02 | 35.61 | 41.03 | - | 2,885.99 | 44.94 | 0.45 | (20.94) | 3,139.10 | 3,139.10 | - |
| i. Profit for the year | - | - | - | - | 534.29 | - | - | - | 534.29 | 534.29 | - |
| ii. Other Comprehensive income - Remeasurement gain/(loss) of the defined benefit plans (net of tax)\ | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | - | - | 534.29 | - | - | - | 534.29 | 534.29 | - |
| iii. Final Equity Dividend Paid | - | - | - | - | (215.54) | - | - | - | (215.54) | (215.54) | - |
| iv. Transfer from Share Options Outstanding Account to Retained Earnings (towards options exercised) | - | - | - | - | 4.47 | - | - | - | 4.47 | 4.47 | - |
| v. Transfer from Foreign Currency Translation Reserve | - | - | - | - | 0.12 | - | - | - | 0.12 | 0.12 | - |
| vi. Additions during the year | - | 11.62 | 21.67 | 0.03 | - | (1.20) | - | 3.80 | 35.92 | 35.92 | - |
| vii. Utilised during the year | - | - | (4.47) | - | (0.55) | - | - | - | (5.02) | (5.02) | - |
| viii. Transfer to retained earnings | - | - | - | - | - | (0.12) | - | - | (0.12) | (0.12) | - |
| Transaction with the owners of the Company | - | 11.62 | 17.20 | 0.03 | (211.50) | (1.32) | - | 3.80 | (180.17) | (180.17) | - |
| Closing balance as at 31st March, 2022 | 152.02 | 47.23 | 58.23 | 0.03 | 3,208.78 | 43.62 | 0.45 | (17.14) | 3,493.22 | 3,493.22 | - |

2. Previous reporting period:

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary
(ACS 21577)

Sameer Mota
Partner
Membership Number: 109928

Place: Jaipur
26th April, 2023

Place: Jaipur
26th April, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023

1 CORPORATE INFORMATION & PROPORTION OF OWNERSHIP INTEREST IN SUBSIDIARIES INCLUDED IN THE CONSOLIDATION.

Reporting entity

Corporate information

UTI Asset Management Company Limited (the 'Company' or the 'Parent') is domiciled and incorporated as a Public Limited Company in India. The Company was incorporated on 14th November, 2002 under the Companies Act, 1956 with an object to carry on activities of rendering investment management services to the schemes of UTI Mutual Fund (the 'Fund'). The Company is registered with the Securities and Exchange Board of India ('SEBI') under the SEBI (Mutual Funds) Regulations, 1996, as amended (the 'SEBI Regulations'). In terms of the Investment Management Agreement, UTI Trustee Company Private Limited (the 'Trustee') has appointed the Company to manage the Fund. The Company is also undertaking portfolio management services to clients under the SEBI (Portfolio Managers) Regulations, 1993, as amended, pursuant to a certificate granted by the SEBI.

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The Company's equity shares are listed on the National Stock Exchange of India Limited and BSE Limited w.e.f. 12th October, 2020.

The Board of Directors has approved the consolidated financial statements for the year ended 31st March, 2023 and authorised for issue on 26th April, 2023.

The Company has four wholly owned subsidiaries viz. UTI Venture Funds Management Company Private Limited, UTI Retirement Solutions Limited, UTI Capital Private Limited and UTI International Limited. The Company also had investment in India Infrastructure Development Fund ('IIDF') and has treated this investment made in IIDF as subsidiary, as per requirement of Ind AS 110 "Consolidated Financial Statements".

Proportion of ownership interest in subsidiaries included in the consolidation

| Name of the Company | Country of Incorporation | Proportion of Ownership Interest |
|--|--------------------------|----------------------------------|
| UTI Venture Funds Management Company Private Limited | India | 100% |
| UTI Retirement Solutions Limited | India | 100% |
| UTI Capital Private Limited | India | 100% |

| Name of the Company | Country of Incorporation | Proportion of Ownership Interest |
|--|---------------------------|----------------------------------|
| UTI International Limited | Guernsey, Channel Islands | 100% |
| UTI International (Singapore) Pte. Limited (subsidiary of UTI International Limited, Guernsey) | Singapore | 100% |
| UTI Investment Management Company (Mauritius) Limited. (subsidiary of UTI International Limited, Guernsey) | Mauritius | 100% |
| UTI International (France) S.A.S (subsidiary of UTI International Limited, Guernsey) | France | 100% |
| UTI Investments America Limited * (subsidiary of UTI International Limited, Guernsey) | USA | 100% |
| India Infrastructure Development Fund# | India | 0% |

*During the year, UTI Investments America Limited has been incorporated on 7th November, 2022 as a Wholly Owned Subsidiary ('WOS') of UTI International Limited (WOS of the Company). The WOS is in the process of capitalisation as at 31st March, 2023.

#During the year, India Infrastructure Development Fund (the "Fund") has redeemed all the units and paid final distributions on 8th September, 2022. The units held by the Company in the Fund have been extinguished, resulting in loss of control according to IND AS 110. The Fund is currently in the process of seeking SEBI approval for winding up as at 31st March, 2023.

These Consolidated Financial Statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') for the year ended 31st March, 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The Group's Consolidated Financial Statements (the 'consolidated financial statements') have been prepared on a going concern basis in accordance with the provision of the Companies Act, 2013 (the 'Act') and the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Act and other relevant provisions of the Act, as amended from time to time. Accounting policies have been consistently applied except where a newly issued accounting standard is initially

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Basis of preparation

The Group maintains accounts on accrual basis following the historical cost convention, except for the following items:

- certain financial instruments – fair value;
- net defined benefit (assets) / liabilities - fair value of plan assets less present value of defined benefit obligations; and
- equity settled share-based payments - fair value of the options granted as on the grant date.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act. The Group has elected to present cash flows from operating activities using the indirect method and items of income or expense associated with investing or financing cash flows are presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The disclosure requirements with respect to items in the Balance Sheet and the Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements.

Indian Rupee (₹) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, management has determined that the consolidated financial statement are presented in Indian Rupees (₹). All amounts have been rounded off to the nearest crore up to two decimal places unless otherwise indicated.

2.3 Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-Controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of Control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Transactions eliminated on consolidation

The financial statements of the Group are consolidated on line-by-line basis. Intra- group balances and transactions, and any unrealised income and expenses arising from Intra- group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Consolidation of Foreign Subsidiaries

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity. When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to statement of profit and loss as part of the gain or loss on disposal.

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with the Ind AS requires management of the Group to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities,

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

disclosures of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

(a) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31st March, 2024 included in the following notes:

(a) Useful lives of property, plant and equipment and intangibles

The Group reviews the useful life of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation / amortisation expense in future periods.

(b) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including

the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(c) Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(d) Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(e) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

2.5 Financial Instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivables without a significant financing component) or financial liability is initially measured at fair value. Transaction costs that are

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Trade receivables without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at FVTOCI. Fair value movements are recognised in the other comprehensive income (OCI). Dividend Income, Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are measured at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in the fair value of equity investments which are not held for trading in OCI. Debt instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVTOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortised cost or FVTOCI criteria may be designated at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit

and Loss. Further, net gains or losses on financial assets at FVTPL include interest and dividend income. The net gain recognised in Statement of Profit and Loss is included in the 'Revenue from Operations' line item and in case of net loss recognised in Statement of Profit and Loss is included in the 'Expenses' line item. The transaction cost directly attributable to the acquisition of financial asset at FVTPL is immediately recognised to profit and loss.

Business Model Assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable interest rate features;

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Impairment

The Group assesses at each date of Balance Sheet whether a financial asset or a Group of financial assets is impaired. The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not classified as FVTPL or Equity investments at FVOCI. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss. The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group on full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 2 year or more past due.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

On De-recognition, for financial assets measured at amortised cost, any gain or loss is recognised in the Statement of Profit and Loss

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Off-setting financial instruments

Financial assets and liabilities are offset, and the net amount is presented in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset ('ROU') and a lease liability at the lease commencement date.

The ROU asset is initially measured at cost, which comprises the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received; plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of certain assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.7 Revenue recognition:

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115- Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount.

Revenue is measured based on the transaction price (net of variable consideration) specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue from contracts with customers is recognised when services are provided and it can be reliably measured and it is probable that future economic benefits will flow to the Group.

Nature of services:

| Services | Nature, timing of satisfaction of performance obligations and significant payment terms |
|--|---|
| Investment Management Fees | The Group receives investment management fees from the schemes of UTI Mutual Fund which is charged as a percent of the Asset Under Management (AUM) and recognised on accrual basis. The maximum amount of investment management fee that can be charged is as per the SEBI Regulations. |
| Portfolio Management fees and Advisory Services fees | The Group provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Group earns portfolio management fees and advisory services fees which is generally charged as a percent of the AUM or amount specified in the agreement and is recognised on accrual basis. |
| Service charges | The Group provides 'Point of Presence' service to NPS subscribers, for which the Group receives service charges which is generally a fixed amount per application or amount specified in the agreement and the fee is recognised on an accrual basis. |

Recognition of dividend income, interest income or expense, gains or losses from financial instruments

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Group's right to receive dividend is established; and it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Recognition of Income from Lease

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue from operations'.

2.8 (a) Property, plant and equipment

Property, plant and equipment ('PPE') are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of PPE is capitalised only if it is probable that the future economic benefits associated from the expenditure will flow to the Group and the cost of the item can be measured reliably.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work in progress or Capital advance'. Capital work in progress is stated at cost. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Depreciation on PPE is provided on straight-line basis as per the estimated useful life as under, except assets individually costing less than Rupees five thousand which are fully depreciated in the year of purchase / acquisition

| Description of Assets | Useful Lives in years |
|---------------------------|------------------------------|
| | As per management's estimate |
| Building* | 60 |
| Server and network | 6 |
| Computer and laptop | 3 |
| Office equipment | 5 |
| Furniture | 10 |
| Vehicle ** | 6 |
| Leasehold Improvements*** | 5 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

*In order to determine the useful life of building, the Group has considered the total useful life as prescribed in the Act and has also taken into consideration, the period of the underlying assets which has been used by the previous owner.

** The Group, based on technical assessment and with best management estimate, depreciates vehicle over estimated useful life which are different from the useful life prescribed in Schedule II to the Act. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

*** In order to determine the useful life of Leasehold Improvements, the Group has considered the lower of term as per the lease agreement of the related leased asset or useful life of the leasehold improvement.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if necessary.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Such intangible assets are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss. Software is amortised over a period of 3 years on straight line method (SLM) on pro-rata basis. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if required.

Intangible assets are derecognised on disposal or when no future economic benefits are expected to arise from its continuous use, and the resultant gains or losses are recognised in the Statement of Profit and Loss.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as 'intangible assets under development'.

(c) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Act or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis.

Though the measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The resultant gain / losses are recognised in the Statement of Profit and Loss in the period of de-recognition.

2.9 Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of its value in use and its fair value less its cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to it. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.10 Transactions in foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency denominated monetary assets and liabilities are retranslated into the functional currency at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

2.11 Employee benefits

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share-based payment transactions

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Group to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes.

The fair value at the grant date of the equity settled share based payment options granted to the employees is recognised as an employee benefit expenses with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options.

At the end of each reporting period, the Group revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Also, the employee stock option granted to the eligible employees

of the subsidiary companies are accounted in accordance with the guidelines of Ind AS 102 – Share based payments.

The fair value of the amount payable to employees in respect of phantom shares, which are settled in cash, is recognised as an employee benefits expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the phantom shares. Any changes in the liability are recognised in profit or loss.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions. In case of the Company, provident fund for eligible employees is managed by the Company through 'UTI AMC Employees Provident Fund' trust which is covered under 'The Provident Funds Act, 1925'. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense/ income on the net defined benefit liability/ asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/asset, taking into account any changes in the net defined benefit liability/ asset during the period as a result of contributions and benefit

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits

Other long term employee benefits include accumulated compensated absences that are entitled to be carried forward for future availment subject to Group's policies. The Group's net obligation in respect of long-term employee benefits other than postemployment benefits, which do not fall due wholly within 12 months after the end of the period in which the employees render the related services, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised as profit or loss in the period in which they arise.

2.12 New Fund Offer ('NFO') expenses of mutual fund

NFO expenses on the launch of schemes are borne by the Group and recognised in the Statement of Profit and loss as and when incurred.

2.13 Income Tax

Income tax comprises of current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or in equity, in which case, the tax is also recognised in OCI or in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received, after considering the uncertainty if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set-off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

The deferred tax assets are recognised to the extent that it is probable that sufficient future taxable profits will be available against which they will be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

2.14 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/development of assets and amounts pertaining to Investments which have been committed but not called for. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each Balance Sheet date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

2.15 Earnings per share

Basic earnings per share

Basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

Diluted earnings per share

Diluted earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

2.16 Operating segments

Basis for Segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance.

2.17 Dividends on equity shares

The Group recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividend. A corresponding amount is recognised directly in equity.

2.18 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from

the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3 STANDARDS ISSUED BUT NOT YET EFFECTIVE:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 and notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

- This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Group's financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

- This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes

- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
3. CASH AND CASH EQUIVALENTS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------------|---------------------------|---------------------------|
| Cash on hand | - | - |
| On balances with banks | 209.45 | 173.42 |
| | 209.45 | 173.42 |

4. BANK BALANCE OTHER THAN (3) ABOVE

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Other Bank Balances | | |
| -Fixed deposit with bank (security against bank guarantee / credit facility) | 102.01 | 120.57 |
| -Other Term Deposit | 45.50 | 103.01 |
| Earmarked balances with banks | | |
| -Unclaimed equity dividend | 0.25 | 0.18 |
| -Unspent CSR accounts | - | 1.37 |
| | 147.76 | 225.13 |

5. RECEIVABLES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------------------|---------------------------|---------------------------|
| Trade Receivables | | |
| (Unsecured, considered good) | 93.81 | 80.09 |
| | 93.81 | 80.09 |
| Other Receivables | | |
| (Unsecured, considered good) | - | 0.41 |
| | - | 0.41 |
| | 93.81 | 80.50 |

6. LOANS (UNSECURED)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| At amortised cost | | |
| Term loans (Unsecured) (A) - Gross | 11.46 | 13.60 |
| (Less): Impairment loss allowance | - | - |
| Term loans (Unsecured) (A) - Net | 11.46 | 13.60 |
| Loans in India | - | - |
| - Public sector | - | - |
| -Others | 11.46 | 13.60 |
| Term loans (Unsecured) (B) - Gross | 11.46 | 13.60 |
| (Less): Impairment loss allowance | - | - |
| Term loans (Unsecured) (B) - Net | 11.46 | 13.60 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

7. INVESTMENTS

(₹ in crore)

| Details of Investments | As at 31st March, 2023 | | | As at 31st March, 2022 | | |
|---|------------------------|-------------------------------------|-----------------|------------------------|-------------------------------------|-----------------|
| | Amortised Cost | At Fair Value through Profit & Loss | Total | Amortised Cost | At Fair Value through Profit & Loss | Total |
| Investments in Government Securities | 212.90 | - | 212.90 | - | - | - |
| Investments in Bonds | 87.17 | - | 87.17 | - | - | - |
| Investments in Mutual Fund | - | 2,284.69 | 2,284.69 | - | 2,440.84 | 2,440.84 |
| Investment in Equity Share of Companies | - | 30.47 | 30.47 | - | 23.84 | 23.84 |
| Investments in Offshore Fund | - | 445.41 | 445.41 | - | 335.64 | 335.64 |
| Investment in Venture fund / Alternative Investment Funds | - | 187.26 | 187.26 | - | 194.12 | 194.12 |
| Total Gross Investments (A) | 300.07 | 2,947.83 | 3,247.90 | - | 2,994.44 | 2,994.44 |
| Investment outside India | - | 445.41 | 445.41 | - | 335.64 | 335.64 |
| Investment in India | - | 2,802.49 | 2,802.49 | - | 2,658.80 | 2,658.80 |
| Total (B) | - | 3,247.90 | 3,247.90 | - | 2,994.44 | 2,994.44 |
| Less : Allowance for Impairment (C) | - | - | - | - | - | - |
| Total Net Investments (D = A-C) | 300.07 | 2,947.83 | 3,247.90 | - | 2,994.44 | 2,994.44 |

8. OTHER FINANCIAL ASSETS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Rent and other security deposits | 4.27 | 4.05 |
| Advances recoverable in cash | 2.98 | 6.20 |
| Advance accrued benefits to employees | 2.81 | 1.36 |
| Receivable from redemption of Mutual Fund Schemes and Alternative Investment Funds | 0.84 | 15.00 |
| Others | - | 39.74 |
| | 10.90 | 66.35 |

9. CURRENT TAX ASSETS (NET)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Advance income-tax (Net of provision ₹ 116 crore)(Previous year ₹ 129 crore) | 38.22 | 38.54 |
| | 38.22 | 38.54 |

10. INVESTMENT PROPERTY

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------|--|---------------------------|----------------------------|--|---|--------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) | Opening accumulated depreciation (As at 31st March, 2022) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Buildings | 12.29 | - | - | 12.29 | 2.60 | 0.52 | - | 3.12 | 9.17 | 9.69 |
| Total | 12.29 | - | - | 12.29 | 2.60 | 0.52 | - | 3.12 | 9.17 | 9.69 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Category Name | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------|--|---------------------------|----------------------------|--|---|--------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) | Opening accumulated depreciation (As at 31st March, 2021) | For the year | Deductions/ Adjustments during the year | Closing accumulated depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Buildings | 12.29 | - | - | 12.29 | 2.08 | 0.52 | - | 2.60 | 9.69 | 10.21 |
| Total | 12.29 | - | - | 12.29 | 2.08 | 0.52 | - | 2.60 | 9.69 | 10.21 |

i) Lease rent of ₹1.52 crore (Previous year : ₹ 1.52 crore) has been received from Investment property.

A. Reconciliation of carrying amount

(₹ in crore)

| | |
|--|--------------|
| Cost or Deemed cost (Gross carrying amount) | |
| Balance as at 31st March, 2022 | 12.29 |
| Balance as at 31st March, 2023 | 12.29 |
| Accumulated depreciation | |
| Balance as at 31st March, 2022 | 2.60 |
| Depreciation for the period ended 31st March, 2023 | 0.52 |
| Balance as at 31st March, 2023 | 3.12 |
| Carrying amounts | |
| Balance as at 31st March, 2022 | 9.69 |
| Balance as at 31st March, 2023 | 9.17 |
| Fair value | |
| As at 31st March, 2022 | 46.50 |
| Balance as at 31st March, 2023 | 47.50 |

B. Information regarding income and expenditure of investment property

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Rental Income derived from investment property | 1.52 | 1.52 |
| Direct operating expenses (including repair maintenance) that generate rental income | | - |
| Direct operating expenses (including repair maintenance) that do not generate rental income | | - |
| Profit arising from investment properties before depreciation and indirect expenses | | - |
| Less: Depreciation | 0.52 | 0.52 |
| Profit arising from investment properties before indirect expenses | 1.00 | 1.00 |

C. Measurement of fair values
i. Fair value hierarchy

The fair value of investment property is based on the valuation done by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

ii. Valuation techniques

- Considering the locality, age, mode of construction, the fair and reasonable market value arrived by the independent valuer vide valuation report as at 25th March, 2023 is ₹ 47.50 crore (31st March, 2022 ₹ 46.50 crore). The value derived by the valuer for the property is after considering the economic usefulness to the prospective purchaser, functional and economic obsolescence, technical potentiality, financial bankruptcy, management lapses, technical in competency in running the unit. The factors will enable valuer to arrive at very realistic and reasonable figures of reliability in the present market.
- The cost approach is a Real Property valuation method which considers the value of a property as the cost of the land plus the replacement cost of the building (Construction Cost) minus the physical and functional depreciation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

11. PROPERTY, PLANT AND EQUIPMENTS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | Opening accumulated depreciation (As at 31st March, 2022) | For the year | DEPRECIATION | | | NET BLOCK | |
|------------------------------------|--|---------------------------|------------------------------|---|--|---|--------------|------------------------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the period | Exchange Differences on translation of foreign operations | Closing gross carrying amount (As at 31st March, 2023) | | | Deductions during the period | Exchange Differences on translation of foreign operations | Closing accumulated depreciation (As at 31st March, 2023) | As at 31st March, 2023 | As at 31st March, 2022 |
| Buildings | 260.01 | 8.47 | - | - | 268.48 | 33.59 | 7.10 | - | - | 40.69 | 227.79 | 226.42 |
| Leasehold Premises | 1.24 | - | - | - | 1.24 | 0.03 | 0.24 | - | - | 0.27 | 0.97 | 1.21 |
| IT Equipment - Computers & Laptops | 7.95 | 4.09 | 1.72 | 0.15 | 10.47 | 5.55 | 1.69 | 1.70 | 0.13 | 5.67 | 4.80 | 2.40 |
| IT Equipment - Servers & Networks | 9.02 | 1.07 | 3.49 | - | 6.60 | 4.36 | 1.18 | 3.50 | - | 2.04 | 4.56 | 4.66 |
| Furniture & Fixtures | 7.47 | 2.24 | 0.50 | 0.08 | 9.29 | 2.49 | 0.93 | 0.43 | 0.08 | 3.07 | 6.22 | 4.98 |
| Vehicles | 4.53 | 2.47 | 0.42 | - | 6.58 | 2.15 | 1.03 | 0.31 | - | 2.87 | 3.71 | 2.38 |
| Office Equipment | 13.71 | 9.48 | 1.25 | 0.02 | 21.96 | 5.99 | 3.75 | 1.23 | 0.02 | 8.53 | 13.43 | 7.72 |
| Total | 303.93 | 27.82 | 7.38 | 0.25 | 324.62 | 54.16 | 15.92 | 7.17 | 0.23 | 63.14 | 261.48 | 249.77 |

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | Opening accumulated depreciation (As at 31st March, 2021) | For the year | DEPRECIATION | | | NET BLOCK | |
|------------------------------------|--|---------------------------|------------------------------|---|--|---|--------------|------------------------------|---|---|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the period | Exchange Differences on translation of foreign operations | Closing gross carrying amount (As at 31st March, 2022) | | | Deductions during the period | Exchange Differences on translation of foreign operations | Closing accumulated depreciation (As at 31st March, 2022) | As at 31st March, 2022 | As at 31st March, 2021 |
| Buildings | 250.17 | 9.84 | - | - | 260.01 | 26.73 | 6.86 | - | - | 33.59 | 226.42 | 223.44 |
| Leasehold Premises | - | 1.24 | - | - | 1.24 | - | 0.03 | - | - | 0.03 | 1.21 | - |
| IT Equipment - Computers & Laptops | 6.12 | 2.24 | 0.44 | 0.03 | 7.95 | 4.67 | 1.29 | 0.44 | 0.03 | 5.55 | 2.40 | 1.45 |
| IT Equipment - Servers & Networks | 8.55 | 0.47 | - | - | 9.02 | 3.19 | 1.17 | - | - | 4.36 | 4.66 | 5.36 |
| Furniture & Fixtures | 5.57 | 2.16 | 0.28 | 0.02 | 7.47 | 1.96 | 0.76 | 0.25 | 0.02 | 2.49 | 4.98 | 3.61 |
| Vehicles | 4.72 | 0.14 | 0.33 | - | 4.53 | 1.57 | 0.88 | 0.30 | - | 2.15 | 2.38 | 3.15 |
| Office Equipment | 7.97 | 6.30 | 0.57 | 0.01 | 13.71 | 4.25 | 2.24 | 0.51 | 0.01 | 5.99 | 7.72 | 3.72 |
| Total | 283.10 | 22.39 | 1.62 | | 303.93 | 42.37 | 13.23 | 1.50 | | 54.16 | 249.77 | 240.73 |

- i) Buildings include an area admeasuring 1,28,997.73 sq.foot and 36,096.90 sq.foot in UTI Towers, Bandra Kurla Complex, Mumbai, acquired from SUUTI and Bank of Baroda respectively on an outright basis in different years. The land on which the building is constructed belongs to MMRDA and the balance period of lease remaining is 50 years, as at 31st March, 2023.
- ii) Buildings include 2 flats given on operating cancellable lease having acquisition value of ₹ 8.29 crore and Accumulated depreciation of ₹ 3.87 crore (Previous year: ₹ 3.53 crore), Lease rent of ₹ 0.47 crore (Previous year : ₹ 0.78 crore) has been received during the year 31st March, 2023.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
12. RIGHT OF USE ASSETS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | For the year | AMORTISATION | | | | NET BLOCK | |
|-----------------|--|---------------------------|------------------------------|--|---|--------------|---|---|------------------------|-------------------------|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the period | Closing gross carrying amount (As at 31st March, 2023) | Opening Accumulated Depreciation (As at 31st March, 2022) | | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2023) | As at 31st March, 2023 | Trans-lation Difference | As at 31st March, 2023 | As at 31st March, 2022 |
| Leased premises | 141.07 | 19.75 | - | 160.82 | 50.25 | 16.92 | - | 67.17 | 93.65 | 0.16 | 93.81 | 90.97 |
| Total | 141.07 | 19.75 | - | 160.82 | 50.25 | 16.92 | - | 67.17 | 93.65 | 0.16 | 93.81 | 90.97 |

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | For the year | AMORTISATION | | | | NET BLOCK | |
|-----------------|--|---------------------------|------------------------------|--|---|--------------|---|---|------------------------|-------------------------|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the period | Closing gross carrying amount (As at 31st March, 2022) | Opening Accumulated Depreciation (As at 31st March, 2021) | | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2022) | As at 31st March, 2022 | Trans-lation Difference | As at 31st March, 2022 | As at 31st March, 2021 |
| Leased premises | 130.80 | 12.49 | 2.22 | 141.07 | 33.27 | 17.33 | 0.35 | 50.25 | 90.82 | 0.15 | 90.97 | 97.68 |
| Total | 130.80 | 12.49 | 2.22 | 141.07 | 33.27 | 17.33 | 0.35 | 50.25 | 90.82 | 0.15 | 90.97 | 97.68 |

13. CAPITAL WORK-IN-PROGRESS

(₹ in crore)

| Category Name | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) |
|--------------------------|--|---------------------------|----------------------------|--|
| Capital work-in-progress | 6.55 | 25.85 | 25.92 | 6.48 |
| Total | 6.55 | 25.85 | 25.92 | 6.48 |

| Category Name | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) |
|--------------------------|--|---------------------------|----------------------------|--|
| Capital work-in-progress | 4.35 | 22.93 | 20.73 | 6.55 |
| Total | 4.35 | 22.93 | 20.73 | 6.55 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

14. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

| Category Name | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2023) |
|-------------------------------------|---|------------------------------|-------------------------------|---|
| Intangible assets under development | 1.78 | 3.52 | 2.72 | 2.58 |
| Total | 1.78 | 3.52 | 2.72 | 2.58 |

| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the year | Closing gross carrying amount (As at 31st March, 2022) |
|-------------------------------------|---|------------------------------|-------------------------------|---|
| Intangible assets under development | 0.78 | 1.00 | - | 1.78 |
| Total | 0.78 | 1.00 | - | 1.78 |

15. OTHER INTANGIBLE ASSETS

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | For the year | AMORTISATION | | | | NET BLOCK | |
|-------------------|---|---------------------------|------------------------------|---|--|--------------|---|--|------------------------|-------------------------|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2022) | Additions during the year | Deductions during the period | Closing gross carrying amount (As at 31st March, 2023) | Opening Accumulated Depreciation (As at 31st March, 2022) | | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2023) | As at 31st March, 2023 | Trans-lation Difference | As at 31st March, 2023 | As at 31st March, 2022 |
| Computer software | 24.62 | 3.63 | - | 28.25 | 17.72 | 6.58 | - | 24.30 | 3.95 | - | 3.95 | 6.90 |
| Total | 24.62 | 3.63 | - | 28.25 | 17.72 | 6.58 | - | 24.30 | 3.95 | - | 3.95 | 6.90 |

(₹ in crore)

| Category Name | GROSS BLOCK (AT COST) | | | | | For the year | AMORTISATION | | | | NET BLOCK | |
|-------------------|---|---------------------------|------------------------------|---|--|--------------|---|--|------------------------|-------------------------|------------------------|------------------------|
| | Gross carrying amount (As at 31st March, 2021) | Additions during the year | Deductions during the period | Closing gross carrying amount (As at 31st March, 2022) | Opening Accumulated Depreciation (As at 31st March, 2021) | | Deductions/ Adjustments during the year | Closing Accumulated Depreciation (As at 31st March, 2022) | As at 31st March, 2022 | Trans-lation Difference | As at 31st March, 2022 | As at 31st March, 2021 |
| Computer software | 22.94 | 1.68 | - | 24.62 | 11.98 | 5.74 | - | 17.72 | 6.90 | - | 6.90 | 10.96 |
| Total | 22.94 | 1.68 | - | 24.62 | 11.98 | 5.74 | - | 17.72 | 6.90 | - | 6.90 | 10.96 |

16. OTHER NON FINANCIAL ASSETS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------------------------|---------------------------|---------------------------|
| Capital advances | 2.46 | 1.45 |
| Deferred Loans and Deposits | | |
| Loans to Employees | 2.14 | 2.81 |
| Rent Deposits | 2.96 | 3.04 |
| | 5.10 | 5.85 |
| Other Assets | | |
| Prepaid expenses | 20.49 | 17.91 |
| TDS Receivable | - | 0.06 |
| Indirect Tax | 0.23 | 0.13 |
| Pension fund plan asset (net) | 9.68 | - |
| | 30.40 | 18.10 |
| | 37.96 | 25.40 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
17. PAYABLES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Trade Payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 0.54 | 0.38 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 54.57 | 38.92 |
| Other Payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 0.26 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 77.21 | 75.47 |
| | 132.58 | 114.77 |

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Principal amount remaining unpaid to any supplier as at the year end | 0.26 | 0.00 |
| Interest due thereon | NIL | NIL |
| Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year | NIL | NIL |
| Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA | NIL | NIL |
| Amount of interest accrued and remaining unpaid at the end of the accounting year | NIL | NIL |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | NIL | NIL |

18. OTHER FINANCIAL LIABILITIES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------|---------------------------|---------------------------|
| Unclaimed equity dividend | 0.25 | 0.18 |
| Lease Liability * | 112.58 | 105.82 |
| Other Liability | 8.49 | 50.70 |
| | 121.32 | 156.70 |

* Lease liability is created on account of implementation of IND AS 116 for leased premises

19. CURRENT TAX LIABILITIES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Provision for Income Tax {(Net of advance tax ₹ 116 crore) (Previous year ₹ 129 crore)} | 12.62 | 8.86 |
| | 12.62 | 8.86 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

20. PROVISIONS

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| Provision for gratuity | 2.88 | 4.64 |
| Provision for leave encashment | 4.87 | 4.96 |
| Provision for pension | - | 13.03 |
| Other provisions | 7.75 | 22.63 |
| Provision for litigations * | 0.39 | 0.39 |
| Provision for Professional Charges | 0.09 | 0.02 |
| Provision for Audit fees | 2.21 | 1.11 |
| Provision for Valuation & Liquidation Expenses | - | 0.24 |
| Provision for Other Expenses | 0.32 | 0.07 |
| | 3.01 | 1.83 |
| | 10.76 | 24.46 |

*The canteen services were discontinued from 25th February, 2004 against which a case was filed by The Contract Labour Udyog Kamgar Union in the year 2005.

21. DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Deferred tax liabilities: | | |
| Depreciation on Property, Plant and Equipments | 26.25 | 29.49 |
| Other Disallowances | 0.01 | 0.56 |
| Fair value of Investments | 33.19 | 32.25 |
| Interest on Government Securities and Bonds | 1.26 | - |
| Amortisation of Right of use Assets | 19.73 | 21.78 |
| Total | 80.44 | 84.08 |
| Deferred tax asset: | | |
| On account of expenditure | (1.04) | (0.89) |
| Income Tax losses | (4.00) | (2.48) |
| Fair value of Loans | (0.91) | (0.95) |
| Fair value of Deposits | (0.15) | (0.15) |
| Provision for Gratuity expenses | (0.72) | (1.55) |
| Provision for Pension expenses | (21.55) | (23.26) |
| Lease liability | (23.70) | (25.37) |
| Unabsorbed Long Term Capital Loss | (12.30) | - |
| | (64.37) | (54.65) |
| Advance MAT Credit Entitlement | (0.87) | (0.87) |
| Net Deferred tax liability | 15.20 | 28.56 |

22. OTHER NON FINANCIAL LIABILITIES

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------|---------------------------|---------------------------|
| Statutory liabilities | 14.61 | 18.11 |
| | 14.61 | 18.11 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
23. EQUITY SHARE CAPITAL

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Authorised | | |
| 20,00,00,000 (31st March, 2022: 20,00,00,000) equity shares of ₹ 10/- each | 200.00 | 200.00 |
| Issued, subscribed and fully paid up | | |
| 12,69,83,695 (31st March, 2022: 12,69,49,041) equity shares of ₹ 10/- each | 126.98 | 126.95 |

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

(₹ in crore)

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|---------------------------|---------------|---------------------------|---------------|
| | No. of shares crore | ₹ in crore | No. of shares crore | ₹ in crore |
| At the beginning of the year | 12.695 | 126.95 | 12.679 | 126.79 |
| Add: Share Issued on exercise of Employee Stock Options during the year | 0.003 | 0.03 | 0.016 | 0.16 |
| Add: Share issued during the year | - | - | - | - |
| At the close of the year | 12.698 | 126.98 | 12.695 | 126.95 |

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% shares in the Company:

(₹ in crore)

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|---------------------------|--------------|---------------------------|--------------|
| | No. of shares crore | % Holding | No. of shares crore | % Holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| T. Rowe Price International Limited | 2.9161 | 22.97 | 2.9161 | 22.97 |
| Punjab National Bank | 1.9321 | 15.22 | 1.9321 | 15.22 |
| State Bank of India | 1.2665 | 9.97 | 1.2665 | 9.98 |
| Life Insurance Corporation of India | 1.2665 | 9.97 | 1.2665 | 9.98 |
| Bank of Baroda | 1.2665 | 9.97 | 1.2665 | 9.98 |
| At the close of the year | 8.6477 | 68.10 | 8.6477 | 68.13 |

d) The Company does not have a holding company.
e) Share Based Payment to Employees under Employee Stock Option Scheme :

The Company has introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007". Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out separately. (Note 38)

24. OTHER EQUITY

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| i) General Reserve | | |
| Balance as per the last financial statements | 152.02 | 152.02 |
| Add: amount transferred from surplus balance in the statement of profit and loss | - | - |
| Closing Balance | 152.02 | 152.02 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| ii) Securities Premium Account | | |
| Balance as per the last financial statements | 47.23 | 35.61 |
| Add: Securities Premium received on account of ESOP | 2.49 | 11.62 |
| | 49.72 | 47.23 |
| iii) Share option outstanding account | | |
| Balance as per the last financial statements | 58.23 | 41.03 |
| Add: share option expenses during the year | 20.08 | 21.67 |
| Less: Transferred to retained earning | 0.44 | 4.47 |
| | 77.87 | 58.23 |
| iv) Share application money pending allotment | | |
| Balance as per the last financial statements | 0.03 | - |
| Add: Addition during the year | - | 0.03 |
| Less: Equity shares issued during the year | (0.03) | - |
| | (0.00) | 0.03 |
| v) Foreign Currency Translation Reserve | | |
| Balance as per the last financial statements | 43.62 | 44.94 |
| Add: Amount transferred during the year | 46.72 | (1.20) |
| Less: Transfer to Retained Earnings | - | 0.12 |
| | 90.34 | 43.62 |
| Capital Redemption Reserve | 0.45 | 0.45 |
| vi) Retained Earnings (Refer note below) | | |
| Balance as per the last financial statements | 3,208.78 | 2,885.99 |
| Profit for the year | 437.36 | 534.29 |
| Add : Transfer from OCI | 0.13 | - |
| Add : Transfer from Foreign Currency Translation Reserve | - | 0.12 |
| Less : Distribution made to unit holders | - | (0.55) |
| Add : Transfer from Share Option outstanding account | 0.44 | 4.47 |
| Less: Appropriations | - | - |
| Final equity dividend | 266.62 | 215.54 |
| | 3,380.09 | 3,208.78 |
| vii) Other Comprehensive Income (OCI) | | |
| Balance as per the last financial statements | (17.14) | (20.94) |
| Add: Movement in OCI (Net) during the year | 7.51 | 3.80 |
| | (9.63) | (17.14) |
| Total Other Equity | 3,740.86 | 3,493.22 |

Nature and Purpose of Reserve

a) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) Security Premium Account

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) Share option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

d) Share application money pending allotment

Until the shares are allotted, the amount received is shown under the Share Application Money Pending Allotment.

e) Retained earnings

Retained earnings are the profits that the Company has earned to date, less any dividends or any other distribution paid to the shareholders, net of utilisation as permitted under applicable regulations. Adjusted for prior period income (net of tax) of ₹ 13.93 crore in the opening retained earnings as at 1st April, 2021.

e) Capital Redemption Reserve

Whenever there is a buy-back or redemption of share capital, the nominal value of the capital is transferred to a reserve called Capital Redemption Reserve so as to retain the capital.

f) Other comprehensive income

Other comprehensive income comprises of remeasurement of the net defined benefit obligation, which includes actuarial gains & losses, the return on plan assets. The income tax related to the same also recognised in other comprehensive income.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
25. REVENUE FROM OPERATIONS

| Particulars | (₹ in crore) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| i) Interest income | | |
| Interest on bonds and government securities | 14.05 | - |
| Interest on loans to employees * | 0.74 | 0.87 |
| Interest on deposit with bank * | 7.63 | 7.63 |
| Other Interest Income | 1.26 | 1.20 |
| | 23.68 | 9.70 |
| * Financial assets measured at amortised cost. | | |
| ii) Lease Income | 13.02 | 11.44 |
| iii) Net gain on fair value changes | | |
| Net gain/loss on financial instruments at fair value through profit or loss | | |
| On trading portfolio investments: | | |
| Mutual funds | 127.62 | 113.30 |
| Equity Shares | 3.26 | |
| Alternative Investment Funds/Venture Capital Funds / Offshore Funds | (32.53) | 64.89 |
| Equity share of companies | 0.44 | 0.90 |
| Net gain/(loss) on fair value changes | 98.79 | 179.09 |
| Fair value changes | | |
| Realised | 63.14 | 54.90 |
| Unrealised | 35.65 | 124.19 |
| | 98.79 | 179.09 |
| iv) Sale of Services | | |
| Details of services rendered | | |
| Management fees | 1,129.19 | 1,116.90 |
| Advisory fees | - | 0.16 |
| Setup Fees | 0.19 | 0.07 |
| Investor Service Fees | 0.56 | 0.63 |
| Other operating revenues | | |
| Fees relating to point of presence under New Pension Scheme | 1.43 | 1.09 |
| | 1,131.37 | 1,118.85 |
| Revenue from operations | 1,266.86 | 1,319.08 |

26. OTHER INCOME

| Particulars | (₹ in crore) | |
|--------------------------------------|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Exchange differences (net) | 10.37 | 4.68 |
| Other non operating income | 12.81 | 3.46 |
| Interest income on income tax refund | 0.05 | 0.05 |
| | 23.23 | 8.19 |

27. FINANCE COST

| Particulars | (₹ in crore) | |
|---|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Interest expense on lease liability (financial liability not measured at FVTPL) | 9.55 | 9.18 |
| | 9.55 | 9.18 |

28. FEES AND COMMISSION EXPENSE

| Particulars | (₹ in crore) | |
|-------------------------------|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Marketing fees and Commission | 2.89 | 2.65 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

29. EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

| Particulars | Period Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|----------------------------------|--------------------------------|
| Salaries and wages | 331.87 | 321.76 |
| Contribution to provident and other funds | 14.53 | 14.98 |
| Expenses on the employee stock option scheme | 20.77 | 21.25 |
| Expenses related to post-employment defined benefit plan: | | |
| Pension expense | 10.13 | 10.70 |
| Gratuity expense | 1.94 | 2.03 |
| Expenses related to compensation absences (Leave encashment) | 7.30 | 12.45 |
| Staff welfare expenses | 27.32 | 22.77 |
| Amortisation of employee loans | 0.67 | 0.77 |
| | 414.53 | 406.71 |

30. DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in crore)

| Particulars | Period Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|----------------------------------|--------------------------------|
| Depreciation of property, plant and equipments | 16.44 | 13.75 |
| Amortisation of intangible assets | 6.58 | 5.74 |
| Amortisation of rights of use assets | 16.92 | 17.33 |
| | 39.94 | 36.82 |

31. OTHER EXPENSES

(₹ in crore)

| Particulars | Period Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|----------------------------------|--------------------------------|
| Power and fuel | 4.63 | 4.10 |
| Rent for short-term leases and low value assets | 2.10 | 1.92 |
| Rates and taxes | 2.94 | 2.10 |
| Insurance | 1.60 | 1.38 |
| Repairs and maintenance | | |
| Computer and Office Equipment | 4.06 | 2.77 |
| Buildings | 12.52 | 11.82 |
| Others | 3.81 | 3.53 |
| Advertising and business promotion | 21.99 | 19.80 |
| Travelling and conveyance | 13.35 | 6.62 |
| Communication costs | 4.58 | 3.90 |
| Printing and stationery | 1.50 | 1.14 |
| Legal and professional fees | 30.42 | 29.29 |
| Directors sitting fees | 3.29 | 2.60 |
| Payment to auditors (Refer (i) below) | 3.05 | 1.90 |
| Exchange differences (net) | - | - |
| Loss on sale of property, plant and equipments (net) | 0.16 | 0.09 |
| Membership Fees & Subscription | 61.35 | 51.19 |
| Computer consumables | 0.24 | 0.29 |
| Corporate Social Responsibility Expenses | 9.91 | 8.84 |
| Brokerage and Security transaction tax | 1.63 | 7.87 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Period Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|----------------------------------|--------------------------------|
| Investment Advisory Fees | 5.50 | 5.22 |
| Trail Fees | 35.99 | 33.82 |
| Management Fees | 3.66 | 5.05 |
| Other expenses | 9.28 | 6.49 |
| | 237.56 | 211.73 |
| (i) Payment to auditors | | |
| As auditors: | | |
| Audit fee | 2.40 | 1.63 |
| Consolidation audit fee | - | - |
| Tax audit fee | 0.06 | 0.05 |
| Limited review fee | 0.44 | 0.19 |
| In other capacity | | |
| Other services (certification fee) | 0.15 | 0.03 |
| (*all figures are including out of pocket expenses) | 3.05 | 1.90 |

32. INCOME TAX

(₹ in crore)

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|--------------------------------|--------------------------------|
| A. Amount recognised in Statement of Profit and Loss : | | |
| I) Tax expenses recognised in the Statement of Profit and Loss | | |
| Current tax: | | |
| Current period | 136.38 | 145.65 |
| Tax adjustment for earlier years | (0.00) | 0.06 |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | 9.56 | (20.12) |
| Income tax reported in the statement of Profit and Loss | 145.94 | 125.59 |
| II) Tax on other comprehensive income | | |
| The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows: | | |
| Deferred tax: | | |
| On items that will be reclassified to profit or loss | | |
| (Gain) / Loss on remeasurement of net defined benefit plans | (2.51) | (1.37) |
| Income tax reported in the Statement of Profit and Loss | (2.51) | (1.37) |
| B. Reconciliation of Effective Tax Rate | | |
| Profit before tax as per books (A) | 585.62 | 660.18 |
| Domestic Tax Rate | 25.17% | 25.17% |
| Computed Tax Expenses (B) | 147.39 | 166.15 |
| Tax effect of the amount which are not taxable in calculating taxable income: | | |
| Profit & Loss on Investments (including MTM) | (28.33) | (7.82) |
| Depreciation | (0.28) | (0.82) |
| IND AS 116 - Lease Accounting | 1.48 | 1.32 |
| Income which are deferred as per Income Tax | 12.95 | (20.12) |
| Actuarial Valuation | 3.49 | 8.25 |
| Other disallowances | 9.25 | (21.37) |
| Total effect of tax adjustment (C) | 145.95 | 125.59 |
| Effective tax rate (in Percentage) (D= C/A) | 24.92% | 19.02% |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

C. Significant components and movement in deferred tax assets and liabilities:

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 | Expense/(Income) recognised |
|--|--------------------------------|--------------------------------|--------------------------------|
| Deferred tax liability: | | | |
| Depreciation on Property, Plant and Equipments | 26.25 | 29.49 | (3.24) |
| Other Disallowances | 0.01 | 0.56 | (0.55) |
| Fair value of Investments | 33.19 | 32.25 | 0.94 |
| Interest on Government Securities and Bonds | 1.26 | - | 1.26 |
| Amortisation of Right of use Assets | 19.73 | 21.78 | (2.05) |
| Total deferred tax liability | 80.44 | 84.08 | (3.65) |
| Deferred tax asset: | | | |
| On account of expenditure | (1.04) | (0.89) | (0.15) |
| Depreciation and Amortisation | (0.00) | - | (0.00) |
| Income Tax losses | (4.00) | (2.48) | (1.52) |
| Fair value of Loans | (0.91) | - | (0.91) |
| Fair value of Deposits | (0.15) | (0.95) | 0.80 |
| Provision for Gratuity expenses | (0.72) | (0.15) | (0.57) |
| Provision for Pension expenses | (21.55) | (1.55) | (20.00) |
| Lease liability | (23.70) | (23.26) | (0.44) |
| Unabsorbed Long Term Capital Loss | (12.30) | (25.37) | 13.07 |
| Total deferred tax Asset | (64.37) | (54.65) | (9.72) |
| Advance MAT Credit Entitlement | (0.87) | (0.87) | (0.00) |
| Net Deferred tax (assets) / liabilities | 15.20 | 28.56 | 6.08 |

| Particulars | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 | Expense/(Income) recognised |
|--|--------------------------------|--------------------------------|--------------------------------|
| Deferred tax liability: | | | |
| Depreciation on Property, Plant and Equipments | 29.49 | 30.00 | (0.51) |
| Other Disallowances | 0.56 | 1.10 | (0.54) |
| Fair value of Investments | 32.25 | 54.33 | (22.08) |
| Interest on Government Securities and Bonds | - | - | - |
| Amortisation of Right of use Assets | 21.78 | 24.20 | (2.42) |
| Total deferred tax liability | 84.08 | 109.63 | (25.55) |
| Deferred tax asset: | | | |
| On account of expenditure | (0.89) | (1.02) | 0.13 |
| Depreciation and Amortisation | - | - | - |
| Income Tax losses | (2.48) | (1.78) | (0.70) |
| Fair value of Loans | - | (1.01) | 1.01 |
| Fair value of Deposits | (0.95) | (0.15) | (0.80) |
| Provision for Gratuity expenses | (0.15) | (24.72) | 24.57 |
| Provision for Pension expenses | (1.55) | (1.46) | (0.09) |
| Lease liability | (23.26) | (26.82) | 3.56 |
| Unabsorbed Long Term Capital Loss | (25.37) | (4.63) | (20.74) |
| Total deferred tax Asset | (54.65) | (61.59) | 6.94 |
| | (0.87) | (0.87) | 0.87 |
| Net Deferred tax (assets) / liabilities | 28.57 | 47.17 | (33.36) |

33. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(₹ in crore)

| Particulars | Note No | 31st March, 2023 | | | 31st March, 2022 | | |
|---------------------------|------------|------------------|--------------------|-------------------|------------------|--------------------|-------------------|
| | | Total | Within 12 Month | After 12 Month | Total | Within 12 Month | After 12 Month |
| I. ASSETS | | | | | | | |
| 1 Financial Assets | | | | | | | |
| Cash and cash equivalents | 3 | 209.45 | 209.45 | - | 174.59 | 174.59 | - |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Note No | 31st March, 2023 | | | 31st March, 2022 | | |
|--|---------|------------------|-----------------|-----------------|------------------|-----------------|-----------------|
| | | Total | Within 12 Month | After 12 Month | Total | Within 12 Month | After 12 Month |
| Bank balance other than Cash and cash equivalents | | 147.76 | 24.88 | 122.88 | 223.75 | - | 223.75 |
| Receivables | 4 | - | - | - | - | - | - |
| Trade Receivables | | 93.81 | 87.13 | 6.68 | 79.44 | 77.87 | 1.57 |
| Other Receivables | | - | - | - | 5.50 | 5.50 | - |
| Loans | 5 | 11.46 | 2.94 | 8.52 | 13.60 | 3.25 | 10.35 |
| Investments | 6 | 3,247.90 | 1,946.48 | 1,301.42 | 2,978.16 | 1,785.40 | 1,192.76 |
| Other Financial Assets | 7 | 10.90 | 6.69 | 4.21 | 78.38 | 3.16 | 75.22 |
| Total Financial Assets | | 3,721.28 | 2,277.57 | 1,443.71 | 3,553.42 | 2,049.77 | 1,503.65 |
| 2 Non Financial Assets | | | | | | | |
| Current Tax Assets (Net) | 8 | 38.22 | 37.87 | 0.35 | 43.23 | 42.60 | 0.63 |
| Deferred Tax Assets (Net) | | - | - | - | - | - | - |
| Investment Property | 9 | 9.17 | - | 9.17 | 9.69 | - | 9.69 |
| Property, Plant and Equipments | 10 | 261.48 | - | 261.48 | 249.77 | 0.22 | 249.55 |
| Right of use assets | 11 | 93.81 | 0.68 | 93.13 | 90.97 | 1.03 | 89.94 |
| Capital work in progress | 12 | 6.48 | 6.48 | - | 6.55 | 6.55 | - |
| Intangible assets under development | 13 | 2.58 | 2.58 | - | 1.78 | 1.78 | - |
| Other Intangible Assets | 14 | 3.96 | - | 3.96 | 6.90 | - | 6.90 |
| Other Non Financial Assets | 15 | 41.29 | 35.56 | 5.73 | 25.40 | 18.69 | 6.71 |
| Total Non Financial Assets | | 456.99 | 83.17 | 373.82 | 434.29 | 70.86 | 363.43 |
| TOTAL ASSETS | | 4,178.27 | 2,360.74 | 1,817.53 | 3,987.71 | 2,120.63 | 1,867.08 |
| II. LIABILITIES AND EQUITY | | | | | | | |
| Liabilities | | | | | | | |
| 1 Financial Liabilities | | | | | | | |
| Trade Payables | 16 | | | | | | |
| Total outstanding dues of microreo enterprises and small enterprises | | 0.54 | 0.54 | - | - | - | - |
| Total outstanding dues of coreeditors microreo enterprises and small enterprises | | 54.57 | 50.08 | 4.49 | 6.26 | 6.18 | 0.08 |
| Other Payables | | | | | | | |
| Total outstanding dues of microreo enterprises and small enterprises | | 0.26 | 0.26 | - | 0.38 | 0.38 | - |
| Total outstanding dues of coreeditors microreo enterprises and small enterprises | | 77.21 | 77.21 | - | 107.14 | 107.14 | - |
| Borrowings | | - | - | - | - | - | - |
| Other Financial Liabilities | 17 | 121.32 | 6.36 | 114.96 | 176.30 | 8.79 | 167.51 |
| Total Financial Liabilities | | 253.90 | 134.45 | 119.45 | 290.08 | 122.49 | 167.59 |
| 2 Non Financial Liabilities | | | | | | | |
| Current Tax Liabilities (Net) | 18 | 12.62 | 12.62 | - | 8.86 | 8.86 | - |
| Provisions | 19 | 10.76 | 10.18 | 0.58 | 24.45 | 23.84 | 0.61 |
| Deferred Tax Liabilities (Net) | 20 | 15.20 | -1.30 | 16.50 | 28.56 | 24.64 | 3.92 |
| Other Non Financial liabilities | 21 | 14.61 | 14.61 | - | 18.11 | 18.11 | - |
| Total Non Financial Liabilities | | 53.19 | 36.11 | 17.08 | 79.98 | 75.45 | 4.53 |
| TOTAL LIABILITIES | | 307.09 | 170.56 | 136.53 | 370.06 | 197.94 | 172.12 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

34. CONTINGENT LIABILITIES & CAPITAL AND OTHER COMMITMENTS:

A UTI Asset Management Company Limited

(a) Contingent Liabilities

(To the extent not provided for)

| Particulars | (₹ in crore) | |
|---|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Claims against the Company not acknowledged as debts in respect of: | | |
| a. Disputed consumer cases | 1.25 | 1.85 |
| b. Disputed Income Tax demand | - | - |
| c. Other Matters | 1.82 | 1.82 |

- (i) Estimated liability for the Consumer Disputes Redressal Forum cases pending in courts for the dispute pertaining to the schemes of UTI Mutual Fund is ₹ 1.25 crore.
- (ii) Ex-Registrars & Transfer Agents filed a recovery suit of ₹ 3.19 crore against the Company, Administrators of SUUTI and UTI Trustee Company Private Limited in the year 2003 regarding termination of their agreement as registrars. The Company also filed a cross suit against them in the Hon'ble Bombay High Court for ₹ 1.37 crore for lack of service. Honourable court directed both the parties to frame the issue for arguments. The Company is hopeful of a positive outcome in its favour and there-fore no provision is made. Net liability is ₹ 1.82 crore.

(b) Other Contingent Liabilities where impact is not ascertainable comprises:

- (i) A case was filed by AIUTEA against the Company in respect of leftover Class III and Class IV staff on date demanding pension option. The honorable presiding officer, CGIT, Mumbai pronounced the verdict dated 28th February, 2007 for pension option. The matter was taken with the Government of India, which advised the Company to seek legal option. The Company filed an appeal in the High Court, Bombay challenging the order of CGIT. The Hon'ble High Court vide its order dated 5th May, 2017 allowed the appeal of AMC by quashing and setting aside the order of CGIT. AIUTEA has filed a Review Petition to review the order dated 5th May, 2017 of Hon'ble Justice K K Tated in WP no. 1792 of 2007 filed by UTI AMC Limited Hon'ble Court vide its order dated 31st August, 2017, rejected the review petition of the petitioner stating that "the only endeavor is to re-argue the entire matter, which is not permitted". AIUTEA has filed a Special Leave petition before Hon'ble Supreme Court of India challenging the order of the Bombay High Court. The matter will come up for hearing in due course. Therefore, financial liability at this juncture cannot be crystallised.
- (ii) In connection to UTI India Fund Unit Scheme 1986 managed by UTI Mutual Fund, as assessment order has been passed by the Income Tax Department, disallowing the exemption under section 10(23D) of Income Tax Act, for an aggregate amount of ₹ 48.30 crore, as well as penalty notice. Our Company has deposited an amount of ₹ 1.83 crore with Income Tax Department in this regards. CIT (A) has granted our appeal for deduction under section 10(23D) vide order dated 28th March, 2023 for all the assessment years. Refund of ₹ 1.83 crore deposited with income tax department is awaited.
- (iii) The orders cum demand notices for ₹ 0.01 crore (Previous Year ₹ 0.01 crore) is pending with Income Tax Office – TDS on various grounds. The Company has filed appeals to the appellate authority on the said orders mentioning that all the payments have been duly complied. The grounds of appeal are well supported in law. As a result, the Company does not expect the demand to crystallise into a liability.
- (iv) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Hon'ble Bombay High Court for giving a fresh opportunity for pension option after pay revision 2001 and arrears of pension with 12% interest on the same. The case is pending for further proceedings.
- (v) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Bombay High Court for payment of dearness allowance with pension or periodic review of the pension. At present the case is pending for further proceedings and the Company is disputing the case of the petitioners.
- (vi) There are 10 cases against UTI Mutual Fund or key personnel, relating to normal operation of UTI MF, pending for final outcome.
- (vii) In connection with India Debt Opportunities Fund Limited Mauritius and the India Debt Opportunities Scheme (Domestic Scheme), SEBI has issued a Show Cause Notice (SCN) to UTI Asset Management Company Limited and UTI Mutual Fund in January 2021 alleging violation of SEBI FPI Regulations and SEBI MF Regulations. The SCN has been issued to UTI AMC Limited and UTI MF to show cause as to why inquiry should not be held under the Adjudication Rules for imposing penalty under section 15 HB of the SEBI Act 1992 which shall not be less than rupees one lac but which may extend to rupees one crore. UTI AMC Limited and UTI MF have filed their

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

detailed replies to SEBI in March 2021 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and there-fore financial liability at this junction can't be crystalised.

- (viii) The Income Tax re-assessment order for the Assessment Year 2009-10 has been passed raising a demand of ₹ 5.26 crore. An Appeal have been filed against the order before ITAT.
- (ix) The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of ₹ 2.28 crore. An Appeal have been filed against such order before CIT (A).

(c) Capital and other commitments

- (i) Estimated amount of contracts remaining to be executed on capital accounts ₹ 3.58 crore.
- (ii) As on 31st March, 2023, the company has commitments of ₹ 147.02 crore towards Structured Debt Opportunity Fund II and ₹ 16.31 crore to LIC Housing Finance Limited - Housing & Infrastructure Fund and ₹ 137.50 crore to Structured Debt Opportunity Fund III and ₹ 40 crore to UTI Capital Private Limited.

B UTI Retirement Solutions Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Litigation

The Company has no pending litigations as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Capital Commitments

The Company has no capital commitments as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

C UTI Venture Funds Management Company Private Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Litigation

The Company has no pending litigations as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Capital Commitments

The Company has no capital commitments as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

D UTI Capital Private Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Litigation

The Company has no pending litigations as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

Capital Commitments

The Company has no capital commitments as at 31st March, 2023 (₹ Nil as on 31st March, 2022)

E UTI International Limited

At the end of 31st March, 2023, the Group has no capital commitments.

35. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit after tax for the year attributable to equity shareholders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Calculations of basic earnings per share

| Particulars | (₹ in crore) | |
|---|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Profit after tax (In crore) | 437.36 | 534.29 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares used as denominator for calculating Basic EPS (In crore) | 12.69 | 12.68 |
| Basic earnings per share (₹) | 34.45 | 42.12 |

Following is the reconciliation between basic and diluted earnings per equity share:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Basic earnings per share (₹) | 34.45 | 42.12 |
| Effect of potential equity shares for stock options (per share) | 0.01 | 0.16 |
| Diluted earnings per share (₹) | 34.44 | 41.96 |

(₹ in crore)

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|--------------------------------|--------------------------------|
| Weighted average number of equity shares used in computing basic earnings per equity share | 12.69 | 12.68 |
| Effect of potential equity shares for stock options outstanding | 0.01 | 0.05 |
| Weighted average number of equity shares used in computing diluted earnings per equity share | 12.70 | 12.73 |

36. RELATED PARTY DISCLOSURES

In terms of Indian Accounting Standard 24 'Related Party Disclosures', the Company has entered into transactions with the following related parties in the ordinary courses of business.

a) Names of related parties where control exists with whom transactions have occurred

| | |
|--------------------------|---|
| Subsidiaries | UTI Venture Funds Management Company Private Limited (100%) |
| | UTI International Limited, Guernsey. (100%) |
| | UTI Retirement Solutions Limited, India (100%) |
| | UTI Capital Private Limited, India (100%) |
| | India Infrastructure Development Fund # |
| Stepdown subsidiaries | UTI International (Singapore) Private Limited. (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Investment Management Company (Mauritius) Limited. (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Private Equity Limited (100% subsidiary of UTI Venture Funds Management Company (P) Limited) ## |
| | UTI International (France) SAS (100% subsidiary of UTI International Limited, Guernsey) |
| | UTI Investments America Limited. (100% subsidiary of UTI International Limited, Guernsey) ### |
| Key management personnel | Mr. Imtaiyazur Rahman (Managing Director & Chief Executive Officer)* |
| | Mr. Dinesh Kumar Mehrotra (Non-Executive Chairman and Independent Director) |
| | Mr. Deepak Kumar Chatterjee (Non-Executive Independent Director) |
| | Mr. Edward Cage Bernard (Non-Executive Nominee Director) |
| | Mr. Flemming Madsen (Non-Executive Nominee Director)** |
| | Mr. Narasimhan Seshadri (Non-Executive Independent Director) |
| | Ms. Dipali Hemant Sheth (Non-Executive Independent Director) |
| | Ms. Jayashree Vaidhyanathan (Non-Executive Independent Director) |
| | Mr. Rajeev Kakar (Non-Executive Independent Director) |
| | Mr. Sanjay Varshneya (Non-Executive Nominee Director)*** |
| | Mr. Kiran Kumar Tarania (Non-Executive Nominee Director)**** |
| | Mr. Praveen Jagwani (CEO of UTI International Limited) |
| | Mr. Christopher M W Hill (Non – Executive Director of UTI International Limited) |
| Shareholder | T Rowe Price International Limited (22.97%) |
| | Punjab National Bank (15.22%) |
| Employee Trusts | UTI AMC Limited Employees Provident Fund |
| | UTI AMC Limited Pension Fund |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

#The above mentioned fund have been consolidated as per the requirement of IND AS 110. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The fund has been closed on 6th September, 2022.

##UTI Private Equity Limited, wholly owned subsidiary of UTI Venture Funds Management Company Private Limited has been wound up on 18th March, 2022.

UTI Investments America Limited has been incorporated on 7th November, 2022 as a Wholly Owned Subsidiary ('WOS') of UTI International Limited (WOS of the Company).

*Mr. Imtaiyazur Rahman (DIN: 01818725) was appointed as Managing Director of the Company with effect from 26th July, 2022 to 12th June, 2024, not liable to retire by rotation. Accordingly, Mr. Imtaiyazur Rahman was re-designated as the Managing Director & Chief Executive Officer of the Company.

**Mr. Flemming Madsen (DIN: 02904543) retired by rotation at the 19th Annual General Meeting (AGM) of the Company and the shareholders had re-appointed him as a Nominee Director (Non-Executive Category) of the Company with effect from 26th July, 2022, liable to retire by rotation.

***Mr. Sanjay Varshneya (DIN: 08161701) resigned as Nominee Director of the Company w.e.f. 26th July, 2022.

b) Related parties transaction

(₹ in crore)

| Sr. No. | Name of Related Party | Nature of Transactions | Year ended 31st March, 2023 | | Year ended 31st March, 2022 | |
|---------|--|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | | Transaction for the year | Outstanding at the year end | Transaction for the year | Outstanding at the year end |
| 1 | T Rowe Price International Limited | Dividend Paid | 61.24 | - | 44.62 | - |
| 2 | Punjab National Bank | Dividend Paid | 40.57 | - | 32.85 | - |
| 3 | UTI AMC Limited Employees Provident Fund | Contribution to the fund | 23.45 | - | 23.16 | - |
| 4 | UTI AMC Limited Pension Fund | Contribution to the fund | 4.36 | - | 4.31 | - |

*All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash within six months of the reporting date. None of the balances is secured.

c) Details of remuneration & Dividend paid to Company's KMPs

| Sr. No. | Nature of Transactions | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|---------|------------------------------|-----------------------------|-----------------------------|
| | | Transaction for the year | Transaction for the year |
| 1 | Short term employee benefits | 15.33 | 13.60 |
| 2 | Post employee benefits | 0.24 | 0.22 |
| 3 | Share Based Payments | 5.79 | 1.13 |
| 4 | Director Sitting Fees | 2.26 | 1.82 |
| 5 | Dividend on Equity Shares | 0.00 | 0.00 |

Note : All transactions with related party are on Arm's Length basis. None of the balances are secured.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

37. EMPLOYEE BENEFITS

UTI Asset Management Company Limited

(a) Defined Contribution Plan

The Company manages provident fund plan through a provident fund trust for its eligible employees which is permitted under The Provident Funds Act, 1925. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The Company has recognised the following amounts in the Statement of Profit and Loss, which are included under contributions to Provident Fund.

| Particulars | (₹ in crore) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Employer's contribution to Provident Fund | 9.55 | 9.43 |

(b) Defined Benefit Plans

Characteristics of defined benefits plans ('DBO'):

1. Gratuity Plan:

The Company operates gratuity plan through a life insurance company ('LIC') wherein every employee is entitled to the benefit based on the respective employee's last drawn salary and years of employment with the Company. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the plan. The plan is funded with LIC in the form of a qualifying insurance policy.

2. Pension Plan:

The Company commenced operations from 1st February, 2003, and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company makes 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme. Some portion of the pension fund is managed by the Company. The actuarial valuation considers the asset managed by the trustee of the pension fund as well as the fund maintained by LIC. The defined benefit plan for pension of the Company is administered by separate pension fund that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan.

Risk associated with defined benefits plans:

These defined benefit plans expose the Company to actuarial risks, such as Salary risk, investment risk, asset liability matching risk, interest rate risk, concentration risk, and mortality risk.

(c) The following tables summaries the components of net employee benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in the Balance Sheet.

(i) Changes in the Present Value of the Defined Benefit obligations

| Particulars | (₹ in crore) | | | |
|---|--------------------------|------------------------|-------------------------|------------------------|
| | Employee's Gratuity Plan | | Employee's Pension Plan | |
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Obligation at the beginning of the year | 125.82 | 127.74 | 286.80 | 277.86 |
| Current Service cost | 1.68 | 2.01 | 9.93 | 9.96 |
| Past Service cost | - | - | - | - |
| Interest cost | 7.69 | 7.63 | 18.98 | 17.58 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|---|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Remeasurement due to: | | | | |
| - Actuarial loss/ (gain) arising from change in financial assumptions | (2.61) | (1.68) | (11.57) | (6.58) |
| - Actuarial loss/ (gain) arising from change in demographic assumptions | - | - | - | - |
| - Actuarial loss/ (gain) arising on account of experience changes | (1.83) | 0.23 | 5.39 | 5.84 |
| Benefits paid | (14.24) | (10.11) | (20.81) | (17.86) |
| Obligation at the end of the year | 116.51 | 125.82 | 288.72 | 286.80 |

(ii) Movement in the Fair value of Plan Assets

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Opening fair value of plan assets | 126.53 | 115.18 | 273.77 | 256.39 |
| Employer contributions | 0.39 | 12.96 | 26.41 | 16.81 |
| Interest on plan assets | 8.10 | 7.14 | 18.78 | 16.83 |
| Administration expenses | - | - | - | - |
| Remeasurement due to: | | | | |
| - Return on plan assets less interest on plan assets | 0.79 | 1.36 | 0.25 | 1.60 |
| - Benefits paid | (14.24) | (10.11) | (20.81) | (17.86) |
| Closing fair value of plan assets | 121.57 | 126.53 | 298.40 | 273.77 |

(iii) Amount recognised in the Balance Sheet

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|---|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Present value of funded / unfunded obligation | 116.51 | 125.82 | 288.72 | 286.80 |
| Fair value of plan assets | 121.57 | 126.53 | 298.40 | 273.77 |
| Net unfunded obligation | (3.34) | (0.71) | (9.68) | 13.03 |
| Net defined benefit liability / (asset) recognised in balance sheet | (3.34) | (0.71) | (9.68) | 13.03 |
| Non-financial liabilities | (3.34) | (0.71) | (9.68) | 13.03 |

(iv) Amount Recorded in Other Comprehensive Income

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|---|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Opening amount recognised in OCI outside statement of profit and loss | 20.07 | 22.87 | 110.65 | 112.99 |
| Re-measurement during the period due to | | | | |
| Changes in financial assumptions | (2.62) | (1.68) | (11.57) | (6.58) |
| Changes in demographic assumptions | - | - | - | - |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Experience adjustments | (1.84) | 0.24 | 5.39 | 5.84 |
| Actual return on plan assets less interest on plan assets | (0.79) | (1.36) | (0.25) | (1.60) |
| Adjustment to recognise the effect of asset ceiling | 1.72 | - | - | - |
| Closing amount recognised in OCI outside statement of profit and loss | 16.54 | 20.07 | 104.22 | 110.65 |

(v) Amount recorded as an expense in Statement of Profit and Loss

(₹ in crore)

| Particulars | Employee's Gratuity Plan | | Employee's Pension Plan | |
|--|--------------------------|------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Current service cost | 1.68 | 2.01 | 9.93 | 9.96 |
| Past service cost | - | - | - | - |
| Administration expenses | - | - | - | - |
| Interest on net defined benefit liability / (assets) | (0.39) | 0.49 | 0.20 | 0.74 |
| (Gains) / losses on settlement | - | - | - | - |
| Total expenses recognised in the statement of profit and loss | 1.29 | 2.50 | 10.13 | 10.70 |

(vi) Funding

The funding requirements are based on the gratuity and pension plan actuarial measurement framework set out in the funding policies of the plan. The Company generally makes annual contributions to the plan based on the actuarial valuation of 'amount recognised in the Balance Sheet as Liability at the year end.

(vii) Reconciliation of Net Liability/ Asset:

a) Employee's Gratuity Plan:

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Opening net defined benefit liability/ (asset) | (0.71) | 12.56 |
| Expenses recognised in statement of profit and loss | 1.29 | 2.50 |
| Expenses / (income) recognised outside statement of profit and loss | (3.53) | (2.81) |
| Employer contributions | (0.39) | (12.96) |
| Impact of liability assumed or (settled)* | - | - |
| Closing net defined benefit liability / (asset) | (3.34) | (0.71) |

b) Employee's Pension Plan

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Opening net defined benefit liability/ (asset) | 13.03 | 21.47 |
| Expenses recognised in statement of profit and loss | 10.13 | 10.71 |
| Expenses / (income) recognised outside statement of profit and loss | (6.43) | (2.35) |
| Employer contributions | (26.41) | (16.80) |
| Impact of liability assumed or (settled)* | - | - |
| Closing net defined benefit liability / (asset) | (9.68) | 13.03 |

*Employee benefit of Key managerial personnel are not determined for the above fund and hence, the same has not been disclosed.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
(viii) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

(₹ in crore)

| Maturity Profile | Employee's Gratuity Plan | |
|---|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Expected benefits for year 1 | 22.72 | 23.38 |
| Expected benefits for year 2 | 19.22 | 16.27 |
| Expected benefits for year 3 | 22.61 | 19.18 |
| Expected benefits for year 4 | 22.15 | 22.23 |
| Expected benefits for year 5 | 21.25 | 21.42 |
| Expected benefits for year 6 | 15.49 | 20.46 |
| Expected benefits for year 7 | 9.36 | 15.18 |
| Expected benefits for year 8 | 4.88 | 9.11 |
| Expected benefits for year 9 | 3.98 | 4.69 |
| Expected benefits for year 10 and above | 22.60 | 25.56 |

The weighted average duration to the payment of these cash flows is 3.99 years for the year ended March 2023 and 4.40 years for the year ended March 2022.

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to the valuation date).

(₹ in crore)

| Maturity Profile | Employee's Pension Plan | |
|-------------------------------|-------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Expected benefits for year 1 | 12.03 | 11.17 |
| Expected benefits for year 2 | 23.57 | 18.06 |
| Expected benefits for year 3 | 22.72 | 23.16 |
| Expected benefits for year 4 | 30.14 | 31.87 |
| Expected benefits for year 5 | 38.52 | 29.97 |
| Expected benefits for year 6 | 40.13 | 35.81 |
| Expected benefits for year 7 | 44.33 | 37.90 |
| Expected benefits for year 8 | 41.50 | 41.12 |
| Expected benefits for year 9 | 33.64 | 38.37 |
| Expected benefits for year 10 | 29.68 | 31.75 |

The weighted average duration to the payment of these cash flows is 6.16 years for the year ended March 2023 and 7.49 years for the year ended March 2022.

(ix) Actuarial assumptions

(₹ in crore)

| Particulars | Employee's Leave Encashment Scheme | | Employee's Gratuity Plan | | Employee's Group Pension Plan | |
|--|------------------------------------|------------------|--------------------------|------------------|-------------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Pension increase rate (per annum) | - | - | - | - | 3.00% | 3.00% |
| Discount rate (per annum) | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% |
| Salary escalation rate (per annum)* | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Withdrawal rate / Leaving service rate | - | - | - | - | 3.00% | 3.00% |

* Take into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(x) Demographic Assumption:

Mortality in Service: Published rates under the Indian Assured Lives Mortality (2012-14) Ult table Mortality in Retirement: Current LIC Buy-Out Annuity Rates prevailing as on the valuation date.

(xi) Sensitivity Analysis:

The benefit obligation results of gratuity fund are particularly sensitive to discount rate and future salary escalation rate. The benefit obligation results of pension scheme are particularly sensitive to discount rate, longevity risk, salary escalation rate and pension increases, if the plan provision do provide for such increases on commencement of pension

The following table summarises the change in DBO and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting year arising on account of an increase or decrease in the reported assumption by changes in the below mentioned three parameters.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous year in the methods and assumption used in preparing the sensitivity analysis.

a) Employee's Pension Plan

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------------------|---------------------------|---------------------------|
| Discount rate | | |
| Impact of increase in 50 bps on DBO | (3.41%) | 3.63% |
| Impact of decrease in 50 bps on DBO | 3.63% | 3.87% |
| Pension increase rate | | |
| Impact of increase in 100 bps on DBO | 9.42% | 8.96% |
| Impact of decrease in 100 bps on DBO | (9.42%) | (8.96%) |
| Life expectancy | | |
| Impact of increase in 1 year on DBO | 2.17% | 2.21% |
| Impact of decrease in 1 year on DBO | (2.17%) | (2.21%) |

b) Employee's Gratuity Fund

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------------------------------|---------------------------|---------------------------|
| Discount Rate | | |
| Impact of increase in 50 bps on DBO | (1.96%) | (2.15%) |
| Impact of decrease in 50 bps on DBO | 2.03% | 2.24% |
| Salary Escalation Rate | | |
| Impact of increase in 50 bps on DBO | 0.45% | 0.52% |
| Impact of decrease in 50 bps on DBO | (0.45%) | (0.53%) |

UTI Capital Private Limited

A) Defined Contribution Plans

Contribution to provident and other funds" is recognised as an expense in the Statement of Profit and Loss.

B) Defined Benefit Plans

The Employees' Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits managed by LIC of India is a defined benefit plan.

i) Actuarial Assumptions

(₹ in crore)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------------------|---------------------------|---------------------------|
| Discount rate | 7.30% | 6.75% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Mortality | IALM (2012-14) | IALM (2012-14) |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
ii) Movement in the Present value of Benefit obligations

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|---|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening of defined benefit obligation | 0.33 | 0.28 |
| Current Service cost | 0.05 | 0.06 |
| Past Service cost | - | - |
| Interest on defined benefit obligation | 0.02 | 0.02 |
| Remeasurement due to: | | |
| Actuarial loss/ (gain) arising from change in financial assumptions | (0.01) | (0.01) |
| Actuarial loss/ (gain) arising from change in demographic assumptions | - | - |
| Actuarial loss/ (gain) arising on account of experience changes | (0.08) | (0.02) |
| Benefits paid | (0.02) | - |
| Closing present value of defined benefit obligation | 0.29 | 0.33 |

iii) Movement in the Fair value of Plan Assets

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|--|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening fair value of plan assets | 0.19 | 0.15 |
| Employer contributions | 0.01 | 0.03 |
| Interest on plan assets | 0.02 | 0.01 |
| Administration expenses | - | - |
| Remeasurement due to: | | |
| Actual return on plain assets less interest on plan assets | - | - |
| Benefits paid | (0.02) | - |
| Closing fair value of plan assets | 0.20 | 0.19 |

iv) Amount recognised in the Balance Sheet

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|--|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Present Value of obligations | 0.28 | 0.33 |
| Fair value of Plan assets | 0.18 | 0.19 |
| Net defined benefit liability / (Asset) recognised in balance Sheet | (0.10) | (0.14) |

v) Amount recognised in other comprehensive income (OCI)

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|---|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening amount recognised in OCI outside profit and loss account | 0.19 | 0.22 |
| Re-measurement during the period due to | | |
| Changes in financial assumptions | (0.01) | (0.01) |
| Changes in demographic assumptions | - | - |
| Experience adjustments | (0.08) | (0.02) |
| Actual return on plan assets less interest on plan assets | - | - |
| Adjustment to recognise the effect of asset ceiling | - | - |
| Closing amount recognised in OCI outside profit and loss account | 0.10 | 0.19 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

vi) Components of Profit and Loss Account expense

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|----------------------------|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Current service cost | 0.05 | 0.06 |
| Interest cost | 0.01 | 0.01 |
| Benefits paid | - | - |
| Actuarial losses / (gains) | - | - |
| Total Expenses | 0.06 | 0.07 |

vii) Reconciliation of Net Liability / Assets

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|---|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening net defined benefit liability/(assets) | 0.14 | 0.13 |
| Expense charged to profit and loss account | 0.05 | 0.06 |
| Amount recognised outside profit and loss account | (0.09) | (0.02) |
| Employer contributions | (0.01) | (0.03) |
| Closing net defined benefit liability/(assets) | 0.09 | 0.14 |

viii) Sensitivity Analysis

(₹ in crore)

| Particulars | Employee's Gratuity Fund | |
|-------------------------------------|--------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Discount Rate | | |
| Impact of increase in 50 bps on DBO | (4.37%) | (4.83%) |
| Impact of decrease in 50 bps on DBO | 4.65% | 5.17% |
| Salary Escalation Rate | | |
| Impact of increase in 50 bps on DBO | 4.69% | 4.51% |
| Impact of decrease in 50 bps on DBO | (4.44%) | (4.89%) |

38. EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Company has formed an Employee Stock Option Scheme i.e. "UTI AMC Employee Stock Option Scheme 2007 ("ESOS 2007")", which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till three years as per plan. Each option entitles the holder thereof to apply for and be allotted / transferred one equity share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS 2007

| Particulars | ESOS 2007 – December 2019 | ESOS 2007 – July 2021 | ESOS 2007 – January 2022 | ESOS 2007 – September 2022 |
|--|------------------------------|--------------------------|-----------------------------|-------------------------------|
| Date of Grant | 16th December, 2019 | 28th July, 2021 | 17th January, 2022 | 13th September, 2022 |
| Price of Underlying Stock (In ₹) | 728.00 | 923.20 | 1,079.45 | 816.05 |
| Exercise / Strike Price (In ₹) | 728.00* | 923.20 | 1,079.45 | 816.05 |
| The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions: | | | | |
| Risk Free Interest Rate | 6.33% | 5.51% | 5.85% | 6.91% |
| Expected Dividend | ₹ 5 per share | ₹ 17 per share | ₹ 17 per share | ₹ 21 per share |
| Expected Life (years) | 4 Years | 4.17 Years | 4.50 years | 4.14 years |
| Expected Volatility | 39.78% | 30.44% | 30.08% | 35.66% |
| Weighted Average Fair Value (In ₹) | 276.00 | 260.07 | 327.65 | 256.55 |

* as determined by the external independent valuer as at 16th December, 2019 which was approved by the Nomination and Remuneration Committee of the Board of Directors of the Company

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

The information of Employee Stock Option Scheme i.e. ESOS 2007 covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

| Particulars | No. of stock options as at 31st March, 2023 | No. of stock options as at 31st March, 2022 |
|---|---|---|
| Outstanding at the beginning of the year * | 2,784,089 | 2,116,961 |
| Granted during the year * | 1,017,243 | 876,641 |
| Forfeited during the year * | - | - |
| Exercised during the year * | 34,183 | 1,62,258# |
| Lapsed/expired during the year * | 121,006 | 47,255 |
| Outstanding at the end of the year * | 3,646,143 | 2,784,089 |
| Vested and exercisable at the end of the period * | 2,158,925 | 1,290,347 |

471 Options are exercised but pending allotment

*Since all the options were granted at the same exercise price per options under the respective grants, weighted average exercise price per option for all these group under the respective grants is the same.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price | Outstanding as at 31st March, 2023 | Outstanding as at 31st March, 2022 |
|----------------------|----------------------|----------------|------------------------------------|------------------------------------|
| 16th December, 2019 | 16th December, 2025 | 728.00 | 1,775,971 | 2,116,961 |
| 28th July, 2021 | 28th July, 2029 | 923.20 | 839,958 | 861,350 |
| 17th January, 2022 | 17th January, 2030 | 1,079.45 | 15,291 | 15,291 |
| 13th September, 2022 | 13th September, 2030 | 816.05 | 1,014,923 | - |

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

As on the date of grant, in case of schemes ESOS 2007 – issued on 16 December 2019, the Company being an unlisted Company, the expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

As on the date of grant in case of ESOS 2007 – issued on 28th July, 2021, 17th January, 2022 and 13th September, 2022, the Company being listed, trading history of the Company and its comparable companies listed on the stock exchange was considered. The volatility derived from this stock had been annualised for the purpose of this valuation.

Expense arising from share-based payment transactions.

(₹ in crore)

| Assumptions | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|---|-----------------------------|-----------------------------|
| Employee stock option scheme (equity settled) | 20.77 | 21.25 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

39. FINANCIAL RISK MANAGEMENT:

The Group has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk Management Framework:

The Group's management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

A. Credit Risk:

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from its investment transactions. The Group is exposed to credit risk from its operating activities (mostly trade receivables) and from its investing activities which includes deposits with banks and financial institutions, and other financial assets measured at amortised cost. The carrying amount of the financial assets represents the maximum credit risk exposure.

Exposure to credit risk

The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, trade and other receivables and financial assets measured at amortised cost.

Following is the exposure of the Group towards credit risk.

| Particulars | (₹ in crore) | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Maximum exposure to credit risk | 473.38 | 559.00 |

Expected Credit Loss (ECL) on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with contract and the cash flows that the Group expects to receive).

The Group has three types of financial assets that are subject to the expected credit loss:

- Trade and other receivables
- Cash and cash equivalent
- Investment in debt securities measured at amortised cost

The amount of trade receivable for which the Group has assessed credit risk is on an individual basis.

Trade and other receivables:

Major portion of trade receivables include the AMC fees receivable from the schemes of UTI Mutual Fund, SUTTI, CMPFO, ESIC, EPFO and amount receivable from PLI and RPLI. Based on the past experience, management expects to receive these amounts in full.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Trade Receivables (Undisputed - considered good) outstanding from the date of transactions | As at 31st March, 2023 | As at 31st March, 2022 |
|---|-----------------------------------|-----------------------------------|
| Less than 6 months | 89.11 | 74.23 |
| 6 months -1 year | 4.08 | 5.23 |
| 1-2 years | 0.00 | 0.00 |
| 2-3 years | 0.00 | 0.63 |
| More than 3 years | 0.62 | 0.00 |
| Total | 93.81 | 80.09 |

(₹ in crore)

| Other Receivables | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | - | 0.41 |
| Total | - | 0.41 |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Further, management believes that the unimpaired amounts that are past due by more than 365 days are still collectible in full, as the same are recoverable from government entities.

Trade payables:

Major portion of trade payable include Management and advisory fees payable and other vendor payments. Based on the past experience the Group will pay off the due on time.

(₹ in crore)

| Trade payables | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | 50.19 | 28.40 |
| 6 months -1 year | 0.00 | 1.42 |
| 1-2 years | 3.42 | 7.85 |
| 2-3 years | 0.00 | 0.28 |
| More than 3 years | 1.50 | 1.35 |
| Total | 55.11 | 39.30 |

Other payables:

Major portion of other payable include Management and advisory fees payable and other vendor payments. Based on the past experience the Group will pay off the due on time.

(₹ in crore)

| Other payable | As at 31st March, 2023 | As at 31st March, 2022 |
|----------------------|-----------------------------------|-----------------------------------|
| Less than 6 months | 77.46 | 75.47 |
| Total | 77.46 | 75.47 |

Cash and cash equivalent:

The Group holds cash and cash equivalents of ₹ 209.45 crore as on 31st March, 2023. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Investment in Debt Securities measured at amortised cost

The Group has made investments in bonds. Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position.

Investment in debt securities that are in government bonds do not carry any credit risk, being sovereign in nature. Credit risk from other financial assets has not increased significantly since initial recognition. Accordingly, the expected probability of default is low.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

B. Liquidity Risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's investment policy and strategy are focussed on preservation of capital and supporting the Group's liquidity requirements. The Group uses a combination of internal and external management to execute its investment strategy and achieve its investment objectives. The Group typically invests in money market funds, debt funds, equity funds and other highly rated securities under a limits framework which governs the credit exposure to any one issuer as defined in its investment policy. The policy requires investments generally to be of investment grade, with the primary objective of minimising the potential risk of principal loss.

The following are the remaining contractual maturities of financial assets and financial liabilities at the reporting date. The amounts are gross and undiscounted:

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows 31st March, 2023 | | |
|---|-----------------|-----------------|--|---------------|-------------------|
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash and cash equivalents | 209.45 | 209.45 | 209.45 | - | - |
| Bank balance other than cash and cash equivalents | 147.76 | 147.76 | - | - | 147.76 |
| Receivables | | | | | |
| - Trade Receivables | 93.81 | 93.81 | 93.81 | - | - |
| - Other Receivables | - | - | - | - | - |
| Loans | 11.46 | 11.46 | 2.95 | 5.57 | 2.94 |
| Investments | 3,247.90 | 3,247.90 | 1,946.48 | 187.40 | 1,114.02 |
| Other Financial assets | 10.90 | 10.90 | 6.63 | - | 4.27 |
| Total | 3,721.28 | 3,721.28 | 2,259.32 | 192.97 | 1,268.99 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows 31st March, 2022 | | |
|---|-----------------|-----------------|--|---------------|-------------------|
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Assets: | | | | | |
| Cash and cash equivalents | 173.42 | 173.42 | 173.42 | - | - |
| Bank balance other than cash and cash equivalents | 225.13 | 225.13 | - | - | 225.13 |
| Receivables | | | | | |
| - Trade Receivables | 80.09 | 80.09 | 80.09 | - | - |
| - Other Receivables | 0.41 | 0.41 | 0.41 | - | - |
| Loans | 13.60 | 13.60 | 3.25 | 6.21 | 4.14 |
| Investments | 2,994.44 | 2,994.44 | 1,801.68 | 605.92 | 586.84 |
| Other Financial assets | 66.35 | 66.35 | 62.30 | - | 4.05 |
| Total | 3,553.44 | 3,553.44 | 2,121.15 | 612.13 | 820.16 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows 31st March, 2023 | | |
|---|-----------------|---------------|--|--------------|-------------------|
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Other financial liabilities | | | | | |
| - Unclaimed equity dividend | 0.25 | 0.25 | - | - | 0.25 |
| - Lease liability | 112.58 | 112.58 | 12.40 | 21.81 | 78.37 |
| - Other Liability* | 8.49 | 8.49 | - | - | 8.49 |
| Payables | | | | | |
| Trade Payables | | | | | |
| - Payable to Micro enterprises and small enterprises | 0.54 | 0.54 | 0.54 | - | - |
| - Payable to other than Micro enterprises and small enterprises | 54.57 | 54.57 | 49.65 | 3.42 | 1.5 |
| Other Payables | | | | | |
| - Payable to Micro enterprises and small enterprises | 0.26 | 0.26 | 0.26 | - | - |
| - Payable to other than Micro enterprises and small enterprises | 77.21 | 77.21 | 77.21 | - | - |
| Total | 253.90 | 253.90 | 140.06 | 25.23 | 88.61 |

(₹ in crore)

| Particulars | Carrying Amount | Total | Contractual Cash Flows 31st March, 2022 | | |
|---|-----------------|---------------|--|--------------|-------------------|
| | | | Less than 1 year | 1-3 years | More than 3 years |
| Financial Liabilities : | | | | | |
| Other financial liabilities | | | | | |
| - Unclaimed equity dividend | 0.18 | 0.18 | - | - | 0.18 |
| - Lease liability | 105.82 | 105.82 | 11.69 | 21.34 | 72.79 |
| - Other liability | 50.71 | 50.71 | - | - | 50.71 |
| Payables | | | | | |
| Trade Payables | | | | | |
| - Payable to Micro enterprises and small enterprises | 0.38 | 0.38 | 0.38 | - | - |
| - Payable to other than Micro enterprises and small enterprises | 38.92 | 38.92 | 29.44 | 8.13 | 1.35 |
| Other Payables | | | | | |
| - Payable to Micro enterprises and small enterprises | - | - | - | - | - |
| - Payable to other than Micro enterprises and small enterprises | 75.47 | 75.47 | 75.47 | - | - |
| Total | 271.47 | 271.48 | 116.98 | 29.47 | 125.03 |

C. Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Group is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

Financial instruments affected by market risk include investments, loans and deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial Instruments. The investments in government securities and bonds are at fixed rate of coupon and accordingly the Group does not perceive any interest rate risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (wherever revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign denominated debt issuances.

Price risk:

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Group's exposure to price risk arises from diversified investments in mutual funds held by the Group and classified in the balance sheet at fair value through profit or loss and is as follows:

| Particulars | (₹ in crore) | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Exposure to Price Risk | 2,947.83 | 2,994.44 |

To manage its price risk from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds, the Group diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increases/decreases of the Net Asset Value (NAV) on the Group's investment in Mutual fund and profit for the year. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Group's investments in mutual funds moved in line with the NAV.

| Particulars | (₹ in crore) | |
|-------------------|-------------------------------|------------------|
| | Sensitivity of Profit or loss | |
| | 31st March, 2023 | 31st March, 2022 |
| NAV - Increase 5% | 162.40 | 149.72 |
| NAV - Decrease 5% | (162.40) | (149.72) |

40. FINANCIAL INSTRUMENTS:

A. Fair Value Hierarchy:

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Investment in all mutual fund schemes are included in Level 2.

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Accounting classification and fair valuation:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| 31st March, 2023 | Carrying Amount | | | Fair Value | | | |
|--------------------------------------|-----------------|----------------|-----------------|------------|-----------------|---------------|-----------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Investments in - | | | | | | | |
| Units of mutual fund schemes | 2,284.69 | - | 2,284.69 | - | 2,284.69 | - | 2,284.69 |
| Offshore Funds | 445.41 | - | 445.41 | - | - | 445.41 | 445.41 |
| Units of alternative investment fund | 187.26 | - | 187.26 | - | - | 187.26 | 187.26 |
| Equity securities | 30.47 | - | 30.47 | - | - | 30.47 | 30.47 |
| Total | 2,947.83 | - | 2,947.83 | - | 2,284.69 | 663.14 | 2,947.83 |

(₹ in crore)

| 31st March, 2023 | Carrying Amount | |
|---|-----------------|---------------|
| | Amortised Cost | Total |
| Financial Assets: | | |
| Investments in Government securities | 212.90 | 212.90 |
| Investments in Corporate debt securities | 87.17 | 87.17 |
| Loans* | 11.46 | 11.46 |
| Trade receivables* | 93.81 | 93.81 |
| Other receivables | - | - |
| Cash and cash equivalents* | 209.45 | 209.45 |
| Bank balance other than cash and cash equivalents * | 147.76 | 147.76 |
| Other financial assets* | 10.90 | 10.90 |
| Total | 773.45 | 773.45 |
| Financial Liabilities: | | |
| Payables | | |
| Trade Payables | | |
| - Payable to Micro enterprises and small enterprises | 0.54 | 0.54 |
| - Payable to other than Micro enterprises and small enterprises | 54.57 | 54.57 |
| Other Payable | | |
| - Payable to Micro enterprises and small enterprises | 0.26 | 0.26 |
| - Payable to other than Micro enterprises and small enterprises | 77.21 | 77.21 |
| Other financial liabilities*** | | |
| Unclaimed Dividend | 0.25 | 0.25 |
| Lease Liabilities | 112.58 | 112.58 |
| Others | 8.49 | 8.49 |
| Total | 253.90 | 253.90 |

(₹ in crore)

| 31st March, 2022 | Carrying Amount | | | Fair Value | | | |
|--------------------------------------|-----------------|----------------|-----------------|------------|-----------------|--------------|-----------------|
| | FVTPL | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Investments in - | | | | | | | |
| Units of mutual fund schemes** | 2,440.85 | - | 2,440.85 | - | 2,440.85 | - | 2,440.85 |
| Offshore Funds | 335.64 | - | 335.64 | - | - | 335.64 | 335.64 |
| Units of alternative investment fund | 194.12 | - | 194.12 | - | - | 194.12 | 194.12 |
| Equity securities | 23.84 | - | 23.84 | - | - | 23.84 | 23.84 |
| Total | 2,994.45 | - | 2,994.45 | - | 2,440.85 | 553.6 | 2,994.45 |

(₹ in crore)

| 31st March, 2022 | Carrying Amount | |
|---|-----------------|---------------|
| | Amortised Cost | Total |
| Financial Assets: | | |
| Loans* | 13.60 | 13.60 |
| Trade receivables* | 80.09 | 80.09 |
| Other receivables | 0.41 | 0.41 |
| Cash and cash equivalents* | 173.42 | 173.42 |
| Bank balance other than cash and cash equivalents * | 225.13 | 225.13 |
| Other financial assets* | 66.35 | 66.35 |
| Total | 559.00 | 559.00 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in crore)

| 31st March, 2022 | Carrying Amount | |
|---|-----------------|---------------|
| | Amortised Cost | Total |
| Financial Liabilities: | | |
| Payables | | |
| Trade Payables | | |
| - Payable to Micro enterprises and small enterprises | 0.38 | 0.38 |
| - Payable to other than Micro enterprises and small enterprises | 38.92 | 38.92 |
| Other Payable | | |
| - Payable to Micro enterprises and small enterprises | - | - |
| - Payable to other than Micro enterprises and small enterprises | 75.47 | 75.47 |
| Other financial liabilities*** | | |
| Unclaimed Dividend | 0.18 | 0.18 |
| Lease Liabilities | 105.82 | 105.82 |
| Others | 50.70 | 50.70 |
| Total | 271.47 | 271.47 |

* Loans, Trade receivables, cash and cash equivalents, Bank balance other than cash and cash equivalents are carried at amortised cost which is a reasonable approximation of its fair value largely due to the short term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

** Investment in Mutual Funds are valued at NAV as at 31st March, 2023.

*** Other financial liabilities are carried at amortised cost which is a reasonable approximation of its fair value.

C. Valuation Techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as significant unobservable inputs used.

| Type | Valuation Technique | Significant Unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|--|---------------------------------|---|
| Investment in the units of Mutual Fund | Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed | Net Asset Value (NAV) | A 5% increase in the valuation factor would increase the carrying value of investment by ₹ 114.23 crore. A 5% decrease in the valuation factor would decrease the carrying value of investment by ₹ 114.23 crore. |
| Investment in units of alternative investment funds | Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments. | Net Asset Value (NAV) | A 5% increase in the valuation factor would increase the carrying value of investment by ₹ 9.63 crore. A 5% decrease in the valuation factor would decrease the carrying value of investment by ₹ 9.63 crore |
| Investment in Offshore Funds | Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer. | Net Asset Value (NAV) | A 5% increase in the valuation factor would increase the carrying value of investment by ₹ 22.27 crore. A 5% decrease in the valuation factor would decrease the carrying value of investment by ₹ 22.27 crore |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

| Type | Valuation Technique | Significant Unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|--|--|--|---|
| Investments in Institutional Investor Advisory Services and MF Utilities India Private Limited | IIAs: The valuation of IIAS has been done on Comparative Transaction Method (CTM) based on the appropriate transaction multiple of comparable Company operating in the similar industry in a different geography for the valuation exercise. | IIAS:- Illiquidity discount factor is considered to be 15% | IIAS:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.15 crore |
| | CCM (Comparable Companies Multiple) Method under the market approach has been considered for the valuation exercise. | MFU:- Discount factor is considered to be 30% for illiquidity, different size & business cycle. | MFU:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.02 crore |
| | ARCL (AMC Repo Clearing Limited) Net Asset Value Method under the Cost approach has been considered for the present valuation exercise.. | ARCL:- No illiquidity discount has been considered as the Company is in nascent stage and the shares are allotted at the face value of ₹ 10 per share. | ARCL:- A 5% increase / decrease in the illiquidity discount of IIAS would decrease / increase the carrying value of investment by ₹ 0.30 crore. |

D. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

| Particulars | (₹ in crore) | | |
|---|---|------------------------------|---------------------------------|
| | Investment in units of alternative investment funds | Investment in Offshore Funds | Investment in equity securities |
| Balance as at 1st April, 2021 | 283.73 | 315.55 | 17.57 |
| Net gain / (losses) on financial instruments recognised in the Statement of Profit and Loss | 10.23 | 46.56 | 0.33 |
| Purchases of financial instruments | 29.58 | 12.01 | 5.94 |
| Sales of financial instruments | 129.42 | 38.48 | - |
| Balance as at 31st March, 2022 | 194.12 | 335.64 | 23.84 |
| Net gain / (losses) on financial instruments recognised in the Statement of Profit and Loss | 7.84 | (32.53) | 0.43 |
| Purchases of financial instruments | 31.88 | 142.3 | 6.20 |
| Sales of financial instruments | 46.58 | - | - |
| Balance as at 31st March, 2023 | 187.26 | 445.41 | 30.47 |

41.

During the year, the Company has reversed liability of ₹ 8.04 crore towards employee superannuation, as the same is no longer payable, and accounted for as other income. Further, the accrued investment income of ₹ 19.87 crore thereon, has been accounted as income under the head net gain on fair value changes.

42. CAPITAL MANAGEMENT:

The primary objective of the Group's capital management is to maximise the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

Calculation of this ratio is given below:

| Particulars | (₹ in crore) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Total Liabilities | 307.08 | 352.17 |
| Less: Cash and cash equivalents | (209.45) | (173.42) |
| Adjusted Net Debt | 97.63 | 178.75 |
| Total Equity | 3,867.84 | 3,620.17 |
| Adjusted Net Debt to Total Equity Ratio | 0.03 | 0.05 |

43. INTERESTS IN OTHER ENTITIES

Subsidiaries

The group's subsidiaries as 31st March, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity share that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

| Name of entity | Place of business/ Country of incorporation | Ownership interest held by the group | | Ownership interest held by non-controlling interests | | Principal activities |
|--|--|--------------------------------------|------------------|--|------------------|---|
| | | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 | |
| | | % | % | % | % | |
| UTI International Limited | GUERNSEY | 100 | 100 | - | - | Investment management and providing advisory services |
| UTI Venture Funds Management Company Private Limited | INDIA | 100 | 100 | - | - | Management of venture fund investment |
| UTI Retirement Solutions Limited | INDIA | 100 | 100 | - | - | Managing the funds of PFRDA |
| UTI Capital Private Limited | INDIA | 100 | 100 | - | - | Investment management |
| India Infrastructure Development Fund | INDIA | 00 | 25.87 | 100 | 74.13 | Investment management |
| UTI Investments America Limited | America | 100 | - | - | - | Investment management |

44. NON-CONTROLLING INTERESTS (NCI) (IND AS 112 DISCLOSERS)

Set out below is summarised financial information for subsidiary that has non-controlling interest that are material to the group. The amounts disclosed for subsidiary are before inter – company eliminations.

| Summarised Balance Sheet | (₹ in crore) | |
|--------------------------|------------------|------------------------------|
| | 31st March, 2023 | 31st March, 2022 (74.13%) |
| Current assets | - | 0.12 |
| Current liabilities | - | 0.88 |
| Net current assets | - | (0.76) |
| Non-current assets | - | - |
| Non-current liabilities | - | - |
| Net non-current assets | - | - |
| Net assets | - | (0.76) |
| Accumulate NCI | - | (0.56) |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Summarised statement of profit and loss | India Infrastructure Development Fund | |
|---|---------------------------------------|------------------------------|
| | 31st March, 2023 | 31st March, 2022 (74.13%) |
| Revenue | 3.20 | 0.57 |
| Profit for the year | 3.13 | 0.40 |
| Other comprehensive income | - | - |
| Total comprehensive income | - | - |
| Profit allocated to NCI | 2.32 | 0.30 |
| Dividends paid to NCI | - | - |

(₹ in crore)

| Summarised cash flows | India Infrastructure Development Fund | |
|--|---------------------------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Cash flow from operating activities | (0.87) | 0.33 |
| Cash flow from investing activities | 18.76 | (0.29) |
| Cash flow from financing activities | (17.97) | - |
| Net increase/(decrease) in cash and cash equivalents | (0.06) | 0.04 |

45. LEASES:
Group as a lessee:

The Group has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Group. Right of Use asset has been included under the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

The following is the break-up of current and non-current lease liabilities as at 31st March, 2023.

(₹ in crore)

| Particulars | As at | As at |
|-------------------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Current lease liabilities | 12.40 | 11.69 |
| Non-current lease liabilities | 100.18 | 94.13 |
| Total | 112.58 | 105.82 |

The following is the movement in lease liabilities during the year ended March 31, 2023

(₹ in crore)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening Balance | 105.84 | 108.14 |
| Additions | 19.75 | 12.67 |
| Finance cost accrued during the year through Statement of Profit and Loss | 9.55 | 9.19 |
| Payment of lease liabilities | (19.90) | (22.12) |
| Adjustments | (2.66) | (2.06) |
| Closing Balance | 112.58 | 105.82 |

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2023 on an undiscounted basis.

(₹ in crore)

| Particulars | As at | As at |
|----------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Less than one year | 22.04 | 20.47 |
| One to Five years | 72.09 | 68.94 |
| More than Five years | 86.11 | 78.71 |

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The weighted average incremental borrowing rate applied to lease liabilities for financial year 2022-23 is 9.8750% and for the financial year 2021-22 is 8.50% for UTI AMC Limited, 3.25% for UTI International Limited and 2.74% for UTI International (Singapore) Private Limited.

Group as a lessor:

The Group leases out its properties of which details of the same are as follows:

i) Future minimum lease payments:

The future minimum lease payments receivable under non-cancellable leases are as follows:

| Particulars | (₹ in crore) | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Receivable in less than one year | 12.62 | 10.60 |
| Receivable in one to two year | 12.62 | 10.33 |
| Receivable in two to three year | 11.55 | 10.33 |
| Receivable in three to four year | - | 9.32 |
| Receivable in four to five year | - | - |
| Receivable after five years | - | - |

ii) Amounts recognised in Statement of Profit and Loss:

| Particulars | (₹ in crore) | |
|--------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Lease Income | 13.02 | 11.44 |

46. OPERATING SEGMENTS

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chief Executive Officer.

The Group has identified geographical segments as reportable segments. The geographical segments comprise: 1) Domestic segment which includes UTI AMC Limited, UTI Venture Funds Management Company Private Limited, UTI Capital Private Limited and UTI Retirement Solution Limited, 2) International segment which includes business of UTI International Limited.

Information regarding geographical revenue is as follows:

| Geography | (₹ in crore) | |
|-----------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Domestic Segment | 1,016.07 | 1,006.23 |
| International Segment | 115.30 | 112.62 |
| Total | 1,131.37 | 1,118.85 |

Information regarding geographical financial assets is as follows:

| Geography | (₹ in crore) | |
|-----------------------|---------------------------|---------------------------|
| | As at 31st March, 2023 | As at 31st March, 2022 |
| Domestic Segment | 3,131.31 | 2,954.60 |
| International Segment | 589.97 | 598.82 |
| Total | 3,721.28 | 3,553.42 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
47. MANAGERIAL REMUNERATION

a) The particulars of the remuneration of the key managerial personnel are as under:

(₹ in crore)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Salary and Allowance (including perquisite and Contribution to Retirement benefits) | 21.36 | 14.95 |
| Total | 21.36 | 14.95 |

b) The Managerial remuneration paid to key managerial personnel is in accordance with the provision of section 197 of companies Act, 2013.

48. DIVIDEND

(₹ in crore)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Dividends on equity shares declared and paid during the year | | |
| Final dividend | | |
| Paid for the earlier financial year | 266.59 | 215.54 |
| Dividend per share (₹) | 21 | 17 |
| Total dividend paid | 266.59 | 215.54 |
| Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year end) | | |
| Final dividend for the same financial year | 279.36 | 266.59 |
| Dividend per share | 22 | 21 |

49. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

(a) As per Section 135 of the Companies Act, 2013 ("the Act"), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilised through the year on CSR activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in crore)

| Particulars | As at | As at |
|--|---|------------------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Gross amount required to be spent during the year | 9.52 | 8.84 |
| Amount approved by the Board to be spent during the year | 9.92 | 8.84 |
| Amount of expenditure incurred during the year* | 9.92 | 6.35 |
| Shortfall at the end of the year | - | 2.49 |
| Total of previous years shortfall | - | 3.85 |
| Reason for Shortfall | - | Pertains to ongoing projects |
| Nature of CSR activities | Promoting education, healthcare and water conservation. | |
| Details of Related Party Transactions | Nil | Nil |
| Provision made for liability incurred by entering into contractual Obligations | Not Applicable | Not Applicable |

*Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

(₹ in crore)

| Sr. No. | Particulars | As at | |
|---------|---------------------------------------|------------------|------------------|
| | | 31st March, 2023 | 31st March, 2022 |
| 1 | Construction/acquisition of any asset | - | - |
| 2 | On purposes other than (1) above | 9.92 | 8.84 |
| | Total | 9.92 | 8.84 |

(b) Details of Other than ongoing Projects (Section 135(5) of the Act):

(₹ in crore)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening Balance | - | - |
| Amount deposited in specified Fund of Schedule VIII within Six months | - | - |
| Amount required to be spent during the year | 9.92 | 4.93 |
| Amount Spent during the year | 9.92 | 4.93 |
| Closing Balance | - | - |

(c) Details of ongoing Projects (Section 135(6) of the Act):

(₹ in crore)

| Particulars | As at | |
|--|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 |
| Opening Balance | | |
| - With Company | - | - |
| - In Separate CSR Unspent account | 1.36 | - |
| Amount transferred in Separate CSR Unspent account during the year | 2.49 | 5.06 |
| Amount required to be spent during the year as per Section 135 (5) of the Companies Act, 2013 | - | 3.91 |
| Amount Spent during the year | | |
| - From Companies bank account | - | 1.42 |
| - From CSR unspent account | 3.85 | 3.69 |
| Closing Balance | | |
| - With Company | - | 2.49 |
| - In Separate CSR unspent account | - | 1.36 |

50. TRANSACTIONS OF THE COMPANY WITH UTI MUTUAL FUND:

(₹ in crore)

| Nature of Transactions | At the year end 31st March, 2023 | | At the year end 31st March, 2022 | |
|---|----------------------------------|--------|----------------------------------|--------|
| | Management Fees | 871.83 | 23.84 | 870.10 |
| Reimbursement received towards advances | 150.89 | 1.02 | 59.30 | 4.45 |
| Payable | 0.32 | 0.32 | - | - |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**
51. ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE ACT:

- (a) The title deeds of immovable properties (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Group, except for the following where the Group is a lessee and lease agreements are not duly executed in the favour of lessee:

| Description of property (Right of Use Assets) | Gross carrying value | Held in the name of | Whether promoter, director or their relative or employee | Period held- indicate range, where appropriate | Reason for not being held in the name of the Company. Also indicate if in dispute |
|--|----------------------|---|--|--|---|
| 16/77 Civil Lines, Kanpur. Uttar Pradesh - 208001 | 1.07 | Mr. Dipankar Ganguly | No | 6th July, 2022 | Agreement is not executed in the name of the Company until 31 March 2023. A lease letter has been signed between the lessor and the lessee. The lease is not under dispute. |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat - 390007 | 0.48 | Mrs. Taraben Pravinbhai Patel | No | 16th August, 2022 | |
| G-5, Landmark Building, Near Tranpeck Circle, Race Course Road, Vadodara, Gujarat - 390007 | 0.96 | M/s A. S. Motors | No | 16th August, 2022 | |
| Taha Plaza, 10/4/2, South Bypass Road, Vannarpet, Tirunelveli, Tamil Nadu - 627003 | 0.50 | Mrs. M Meharunisha Begum | No | 26th October, 2022 | |
| B-6, Ground Floor, S. K. Plaza, Bhilwara, Rajasthan - 311001 | 0.44 | Mohan Bhai Desai | No | 5th February, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.12 | Mrs. Ayishabi | No | 15th March, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Mymoona Aydeed a.k.a Shereefa Mymoona | No | 15th March, 2023 | |
| 61/1950 & 1951, Ground Floor, Aydeed Complex, Kozhikode, Kerala - 673001 | 0.06 | Mr. Sayed Mohammed Ashraf Aydeed | No | 15th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Deepa Sanjay Patel | No | 24th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Rupa Vipul Patel | No | 24th March, 2023 | |
| 12/A. Chitrangna Complex, Anand, Gujarat - 388001 | 0.18 | Ms. Mona Parag Shah | No | 24th March, 2023 | |

- (b) Fair value of Investment property (as measured for disclosure purposes in the financial statements) by the Holding Company or any of its subsidiary companies incorporated in India, is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

- c) The Group has not revalued its property, plant and equipment's (including right-of-use assets) during the current or previous year.
- d) The Group has not revalued its intangible assets during the current or previous year.
- e) During the year, the Holding Company or any of its subsidiary companies incorporated in India, has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly with any other person, that are
- repayable on demand or
 - without specifying any terms or period of repayment.

f) Capital-Work-in Progress

(₹ in crore)

| Particulars | 31st March, 2023 | | 31st March, 2022 | |
|-------------------|----------------------|--------------------------------|----------------------|--------------------------------|
| | Projects in progress | Projects temporarily suspended | Projects in progress | Projects temporarily suspended |
| Less than 1 year | 6.48 | - | 5.68 | - |
| 1-2 years | - | - | 0.87 | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | - | - | - |
| Total | 6.48 | - | 6.55 | - |

There is no capital work in progress as at 31st March, 2023, whose completion is overdue or has exceeded its cost as compared to original plan.

g) Intangible assets under development

(₹ in crore)

| Particulars | 31st March, 2023 | | 31st March, 2022 | |
|-------------------|----------------------|--------------------------------|----------------------|--------------------------------|
| | Projects in progress | Projects temporarily suspended | Projects in progress | Projects temporarily suspended |
| Less than 1 year | 2.40 | - | 0.99 | - |
| 1-2 years | - | - | 0.43 | - |
| 2-3 years | 0.19 | - | 0.36 | - |
| More than 3 years | - | - | - | - |
| Total | 2.58 | - | 1.78 | - |

There is no Intangible assets under development as at 31st March, 2023, whose completion is overdue or has exceeded its cost as compared to original plan.

- h) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group.
- i) The Group has availed overdraft facility from bank on the basis of security of current assets during the year. The balance outstanding at the year ended 31st March, 2023 is NIL (Balance Outstanding as on 31st March, 2022 is NIL). As per the sanction term, the Group is not required to file quarterly returns or statements with the bank. The Group has used the overdraft facility from bank for the specific purpose for which it was taken.
- j) None of entities in the group have been declared wilful defaulter by any bank or financial institution or other lender.
- k) During the current year, the group does not have any transactions with the companies struck off under section 248 of the Act or Section 560 of the Companies Act 1956.
- l) The Group has complied with the number of layers for investments made as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- m) During the year, the group has not entered into scheme of arrangements.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

- n)** A. The Holding Group or any of its subsidiary companies incorporated in India, has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B. The Holding Company or any of its subsidiary companies incorporated in India, has not received any fund from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- o)** The Holding Company or any of its subsidiary companies incorporated in India, does not have transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- p)** None of the entities in the group had traded or invested in Crypto currency or Virtual Currency during the financial year.

As per our Report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
UTI Asset Management Company Limited

Sameer Mota
Partner
Membership Number: 109928

Place: Jaipur
Date: 26th April, 2023

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Surojit Saha
Chief Finance Officer

Place: Jaipur
Date: 26th April, 2023

Imtaiyazur Rahman
Managing Director & Chief Executive Officer
(DIN: 01818725)

Arvind Patkar
Company Secretary
(ACS 21577)

