



**ADITYA BIRLA
CAPITAL**

**INNOVATIVE AND
SIMPLIFIED SOLUTIONS FOR
INDIA'S**

MMO



PAYMENTS



INSURANCE



NEY

NEEDS



LOANS



INVESTMENTS

**ANNUAL REPORT
2023 - 24**

MR. ADITYA VIKRAM BIRLA

We live by his values.

Integrity, Commitment, Passion,
Seamlessness and Speed.



Chairman's letter to Shareholders



Dear Shareholders,

In an era marked by unprecedented global challenges, the imperative for businesses to transcend conventional paradigms has never been more pressing. At the Aditya Birla Group, we recognise that our success is intrinsically tied to the well-being of society and the planet we inhabit. As custodians of progress and stewards of sustainable growth, we embrace the ethos of being a force for good in all facets of our operations. At the heart of our philosophy lies the conviction that business can and must serve as a catalyst for positive change. Beyond the pursuit of profit margins, we envision a world where economic prosperity harmonises with social welfare and environmental stewardship.

This vision guides our strategic decisions, propelling us to harness the transformative power of business to create collective prosperity. Being a force for good entails a multifaceted approach that extends across our entire value chain. From fostering inclusive growth and empowering local communities to mitigating environmental impact and creating prosperity for our nation and its people, our commitment to operating responsibly is woven into the fabric of our business endeavours. It is part of our DNA and our legacy. It defines who we are.

By creating value for all stakeholders – shareholders, employees, customers, and society at large – we aim to nurture an

ecosystem of mutual benefit and collective advancement. This philosophy underpins our unwavering dedication to ethical governance, transparent communication, and responsible business practices. As we navigate the complexities of a rapidly evolving world, we remain steadfast in our commitment to being agents of positive change.

Guided by our Purpose **'To enrich lives, by building dynamic and responsible businesses and institutions, that inspire trust'**, and by leveraging our resources, expertise, and influence, we aspire to be a catalyst for meaningful impact, shaping a future where business serves as a force for good in everything that we touch and do.

Chairman's letter to Shareholders

GLOBAL ECONOMY: RESILIENCE IN MOTION

The global economy exhibited remarkable resilience and divergence during 2023, defying fears of stagflation and recession. Increased government spending, notable labour force participation, and continued household consumption growth supported global economic growth last year. Despite substantial interest rate hikes by central banks, economic activities worldwide grew steadily, buoyed by household demand fuelled by pandemic savings and supportive policies in mortgage and housing markets. These growth drivers mitigated the impact of policy rate increases. Major central banks, led by the US Federal Reserve, have likely reached their peak rate hikes. Expectations are for rate cut initiations during the latter part of 2024, signalling cautious optimism for the global economy and financial markets. Global economic growth is estimated at 3.2 percent in 2023 and projected to continue at the same pace in 2024 and 2025, albeit these growth rates are at historically low levels.

The US economy was a standout in 2023, with GDP growth exceeding long-run averages at 4.9% in Q3 and 3.4% in Q4, driven by robust services growth and a resurgence in manufacturing activity. Simultaneously, as the Fed raised rates and supply constraints eased, inflation declined to 1.7% in Q4, undershooting the 2% target. This "miracle" of strong growth and low inflation defied the recessionary predictions of most economists.

In contrast, Europe slowed to just 0.4% GDP growth in 2023, weighed down by reduced household spending from elevated energy costs tied to the Russia-Ukraine conflict and tighter monetary policy. Prospects for 2024 remain subdued at 0.8% growth, constrained by strained fiscal positions limiting any growth impetus.

China experienced a 5.2% growth rate in 2023 and is projected to expand by 5% in 2024 and 4.5% in 2025, bolstered by policy support measures. However, a protracted property crisis remains a major drag on growth.

Global economic prospects have improved as major economies have averted a severe downturn, reducing inflation without raising unemployment. However, the outlook remains cautiously optimistic. Persistent challenges include prolonged high interest rates, debt sustainability issues, ongoing geopolitical tensions, and escalating climate risks, all of which continue to impede growth.

INDIA: LEADING THE WAY

Yet, for India, the picture is promising amidst a globally uncertain macroeconomic environment. India's economy has shown resilience, with real GDP growth of 8.2% in 2023-24, making it the fastest-growing major economy and the fifth largest globally. Structural reforms and domestic household demand are key drivers of India's growth. Inflation has eased, supported by monetary policy actions and supply-side interventions. India is expected to grow at 7.2% in FY25.

The banking sector has seen improvements in earnings, governance, and balance sheets. Non-banking financial companies (NBFCs) also show sound performance, contributing to credit growth in the private sector. Prudent policies and regulatory measures aim to safeguard financial stability in India. The Indian rupee has managed relative stability supported by improved external balances, including a moderation in the current account deficit and robust forex reserves. Increased services exports have been supportive of the external balance. India's FinTech ecosystem, supported by initiatives like the Unified Payments Interface (UPI), has transformed financial services, promoting inclusion and digitisation.

Hence, despite global challenges, the Indian economy is poised for sustained growth. We believe collective actions and focused measures by the government have helped overcome past challenges and will realise India's growth potential in the future.

To summarise, the Indian economy has demonstrated resilience, supported by reforms, low core inflation, and a sound financial sector. Continued focus on reforms will see India emerge as a key global growth engine.

ADITYA BIRLA GROUP: IN PERSPECTIVE

Amid this economic backdrop, the Aditya Birla Group's strong performance in FY24 stands as a testament to our unwavering commitment to purpose-driven growth, driving sustained value creation for stakeholders across our diverse business portfolio.

This success is underpinned by our exceptional talent pool, whose dedication and entrepreneurial spirit are the true catalysts for our sustained achievements.

This year, we have advanced our purpose-driven approach to business by integrating our purpose in every stage of the employee life cycle: hiring, induction, learning, performance appraisal and continuous employee connect.

Being the force for good for ABGites: By enabling employees to develop capabilities and achieve their true potential. 186 learning events covering 4700+ ABGites were held by Gyanodaya, our Learning and Leadership Development Center. In addition, 14000+ ABGites were covered through outreach programmes, done closer to the employees in our Units / offices all over the globe. Robust digital learning, enabled 81% of the employees to learn at their convenience around topics of interest and need.

Our leaders play a crucial role in strengthening the succession pipeline. Through Business and Functional Talent Councils, they set the vision for their respective areas, identify the future capabilities needed for success, review the availability of talent, and agree on actions to enhance the talent pipeline. This year, over 12,000 employees (99% of the eligible population) underwent potential assessments, enabling us to identify high-potential talent across all levels and prepare them for leadership succession. As a result, 56% of critical mid and senior-level positions were filled through our internal pipeline. Additionally, the internal and external hiring ratio for senior management roles has improved from 59:41 to 75:25 over the past three years.



Our strong employer brand enabled us to attract high-quality talent for three new businesses built grounds-up: Birla Opus, Birla Pivot and Novel Jewels. We hired 14,800+ employees across levels in the management cadre, 75% of whom are millennials and Gen Z.

We have maintained our focus on strengthening gender diversity, ensuring more women are in mainstream roles and leading strategic responsibilities across various functions and regions. Currently, women make up 15.6% of our management cadre, with 277 women holding senior and top leadership positions. We are also making a special effort to increase the representation of women in technical roles. For example, we have appointed our first female unit head for the battery enclosure plant, enrolled 25 women in a one-year apprenticeship programme in core mining who will be placed in UltraTech, and have women serving as Territory Sales Managers at Birla Opus.

We strive to enrich the lives of our employees through integrated healthcare solutions that focus on their physical and emotional well-being, as well as that of their families. Our Digital Health and Wellbeing app, AB Multiply, has enrolled 26,000 employees for holistic wellness services. Additionally, over 9,000 employees have benefited from company-sponsored annual physical health check-ups. We have made significant efforts to reduce the stigma associated with mental health, ensuring that employees and their families can access professional and confidential counselling services when needed. Last year, over 1,000 employees or their family members sought help, marking an increase of more than 25%.

The results of ABG Vibes 2023, our annual engagement survey, reflect our commitment to being a force for good for our employees. The scores have improved in all areas across employee segments compared to the previous cycle: 91% of employees are proud to be associated with the Group, 93% would recommend the Group as a great place to work, and 87% see themselves working with the Group two years from now (an 8% increase from the last cycle). Additionally,

89% of employees find a sense of meaning and purpose in their work, and 91% are optimistic about the future of the business.

Indeed, the Aditya Birla Group stands at an exciting juncture. Many of our businesses are poised for transformational growth, while new ventures are emerging with a lot of promise. We are not just expanding in size but also diversifying in scope across various industries and regions.

YOUR COMPANY PERFORMANCE

Over the years, your Company has scaled smartly to emerge as a leading financial services conglomerate and a key growth engine for the group. The consolidated revenue^{1,2} grew by 30% year-on-year to ₹ 39,050 Crore in FY24 and consolidated profit after tax² grew by 41% year-on-year to ₹ 2,902 Crore during the same period, which is the highest ever consolidated profit. Each business demonstrated strong performance over the years. The NBFC business grew significantly with an AUM of over ₹ 1 Lakh Crore.

During the financial year, your Company undertook various strategic measures to position itself as a strong value creator for stakeholders, including raising a capital of ₹ 3,000 Crore through a qualified institutional placement and a preferential issuance of equity shares to facilitate the business and digital transformation growth objectives of its rapidly growing businesses.

Your Company has also announced amalgamation of Aditya Birla Finance, its NBFC subsidiary with itself, to create a unified large entity with greater financial strength and flexibility enabling direct access to capital. The merger will lead to consolidation of its businesses and operational synergies, resulting in long-term sustainable growth and enhanced value for various stakeholders of your Company.

Over the last decade or so, India has built a pathbreaking collection of public-facing digital platforms. The digital edifice that has

been painstakingly built in India and covers payments, identity, data management, and commerce, has no parallel in the world.

This transformation has not only improved access to financial services for the citizens of the country, but also enhanced transactional efficiency and transparency. The proliferation of a robust digital ecosystem in India is essential for promoting financial inclusion, security, convenience, transparency, and economic growth which will go a long way in empowering individuals and is in sync with the Government's agenda for encouraging digitalization and financial literacy within the country.

Your Company has adopted a customer-first and digital-first approach which led to the development of multiple state-of-the-art customer-facing digital platforms. In keeping with this approach and to adapt and address shifting customer preferences, your Company launched 'ABCD', a D2C platform that offers a comprehensive portfolio of 22 products and services. This includes core financial products from our lending, insurance, and investment businesses. The ABCD D2C platform will further help Aditya Birla Capital augment its digital footprint. It will acquire customers digitally at scale, cross-sell and up-sell in a frictionless manner and become a full-stack financial services provider. This foray is yet another marker of our commitment to creating enhanced value for all our stakeholders.

Going forward, your Company will continue to make rapid strides to drive sustained growth within the financial services space.

CONCLUSION

Your company's multidimensional achievements underscore what has been a foundational philosophy of our group—that true corporate success is measured by the enduring value we create for all our stakeholders. And that is our legacy, our promise, and our future.

Kumar Mangalam Birla
Chairman,
Aditya Birla Group

1. Consolidated segmental revenue
2. Excluding one-off items

Chief executive officer's letter to shareholders

Unlocking growth, delivering value



₹2,902 Crore
Consolidated PAT¹

▲ 41%

₹39,050 Crore
Consolidated Revenue^{1, 2}

▲ 30%

1. Excluding one-off items
2. Consolidated segmental revenue



At Aditya Birla Capital, we follow a 'One ABC, One P&L' approach and are committed to drive quality and profitable growth by harnessing the power of data, digital and technology.

Dear Shareholders,

On behalf of Aditya Birla Capital, it is my honour to present the 17th Annual Report of your Company.

The Indian economy is at a defining moment. Amidst a challenging global scenario, India emerged as a significant economic and geopolitical power. The country's GDP growth rate of 8.2% in FY24 exceeded all expectations. Strong goods and services tax collections, rising auto sales, consumer

optimism and double-digit credit growth suggest that consumption demand remains robust. On the supply side, expanding manufacturing and service-related activities reflect a sense of optimism in India's continuing economic momentum. Backed by strong governance, a demographic advantage, positive consumption trends, upgrading infrastructure and a growth-oriented regulatory environment, India has time and again, showcased incredible



economic resilience, and is well on its path to charting its trajectory of sustained progress.

The financial services sector is pivotal to driving India's growth story forward. From banking to insurance, from fintech to wealth management, we have witnessed unprecedented growth and dynamism across the sector. The last decade witnessed a drastic change, as technology continued to empower regions, beyond cities to get seamless access to financial services and fostering the growth of rural communities at large, beyond just meeting individual needs.

Aditya Birla Capital Limited (ABCL / ABC), your Company is a key player within the non-banking financial domain and is characterised by its exhaustive range of financial solutions across loans, investments, insurance, and payments that fulfil the diverse financial needs of customers and help them meet their aspirations across their lifecycle. Your Company's steady growth also testifies for the amount of trust that customers have placed in choosing Aditya Birla Capital as their trusted partner to fulfil their financial goals. At the heart of this journey, lies your Company's continued commitment to leverage data, digital and technology to strengthen platform capabilities, accelerate innovation in product offerings and deliver superior experiences to customers across channels of their choice.

As Team ABC, we lived by our strategic approach of 'One ABC, One P&L', built on the three pillars of 'One Customer, One Experience and One Team'. It helped us scale up our operations and strengthen presence in the dynamic financial services sector. Amidst macro environment challenges, we persevered and achieved a series of milestones together. It is our people who are the cornerstone of our continued success. Their dedication to hard work, passion

and commitment to execution excellence, has helped us drive our vision forward.

And I want to thank ABC family for their wholehearted support, which has helped Aditya Birla Capital emerge stronger as a brand and a franchise, that is ready for its next big leap.

THE YEAR THAT WAS

FY23-24 was a landmark year for Aditya Birla Capital, as we successfully delivered on our business transformation journey and growth objectives. We are uniquely positioned to meet the financial needs of our customers. It has been our constant endeavour to know our customers better, and we have been leveraging data and analytics to gain a deeper understanding of their needs and preferences to re-imagine solutions and create a winning experience for them. With this approach, we have successfully built a steady growth momentum across our businesses with emphasis on prudent risk management, return of capital and development of an omni-channel architecture for distribution.

Your Company is well-capitalised to tap into the next phase of growth. This has been made possible through an adherence to prudent risk management practices which enabled your Company to pursue growth while protecting capital. The focus of driving proactive interventions and tightening of underwriting norms to improve quality of customer selection, held your Company in good stead and helped it emerge as a leading financial services conglomerate with over ₹ 4.36 Lakh Crore in Assets under Management. Your Company is the only non-bank franchise, other than banks, that offers all the products and services that a customer needs under one umbrella, as a manufacturer.

I am pleased to share that Aditya Birla Capital has delivered robust performance across its business segments:

- The consolidated profit after tax¹, grew by 41% year-on-year to ₹ 2,902 Crore in FY24, the highest ever profit. The consolidated revenue^{1, 2} grew by 30% year-on-year to ₹ 39,050 Crore in FY24.
- Our NBFC business achieved a significant milestone in FY24 with AUM crossing ₹ 1 Lakh Crore, with 31% year-on-year growth, consistent across quarters. We continue to focus on risk calibrated growth in granular segments such as retail and SME to capture market opportunity. Profit before tax grew by 43% year-on-year to ₹ 2,987 Crore.
- Our housing finance business follows the blended approach by assessing the higher overall market size compared to the niche segment. This has led to accelerated growth in disbursement at 59% and AUM growth at 33% year on year. We have leveraged the ABG ecosystem, which has contributed ~10% to retail disbursement.
- Our mutual fund average AUM grew by 12% year on year to ₹ 3.13 Lakh Crore with PBT growth at 27% year-on-year to ₹ 1,008 Crore.
- Our health insurance business is one of the fastest-growing standalone health insurance players, driven by a unique 'health-first' model. Gross premium grew 36% year-on-year to ₹ 3,701 Crore in FY24.
- The Individual FYP in the Life Insurance business grew by 2% year-on-year to ₹ 3,074 Crore in FY24, led by growth in direct business and new bancassurance partners.

1. Excluding one-off items

2. Consolidated segmental revenue

Chief executive officer's letter to shareholders

OMNI-CHANNEL ARCHITECTURE

At Aditya Birla Capital, we follow an omni-channel architecture for distribution to provide complete flexibility to our customers in their channel of interaction. In terms of our offline footprint, we continued to expand our branch network to capture white spaces across customer segments. The overall branch count increased by 179 in FY24 and stood at 1,474 branches across businesses, as of March-end. Our co-located branches also increased by 212, during the year to 796 branches across 220 locations, as of March-end.

While we continued to expand our physical footprint, we remained true to our endeavour of taking a '**Digital-First Approach**' with all our businesses leveraging the power of technology to strengthen capabilities and reinvent solutions for customers. In FY24, we launched D2C platform — '**ABCD**' which was built in a record span of 12 months. Through this platform, your Company aims to add 30 Million new users over the next 3 years. The launch marked a pivotal moment in your Company's ambitious journey to drive growth and leadership, and to become a full-stack financial services provider.

Guided by a Maximum Viable Product (MVP) approach, your Company is the only non-bank financial institution with this unique platform to offer customers a comprehensive suite of more than 20 financial products and services, including loans, insurance, investment, and payments facilities — such as UPI, bill payment, and online recharges, and personal finance tracking such as 'My Track' among others.

We launched our state-of-the-art omni-channel D2C platform — **ABCD** which offers 20+ financial products and services

Our comprehensive B2B platform for the MSME ecosystem, **Udyog Plus** which was launched in 2023, has scaled up well with over 8 lakh registrations recorded within nine months of its launch. It has clocked disbursements of about ₹ 500 Crore, with ABG ecosystem contributing about two-thirds of the business. Udyog Plus's total portfolio has reached about ₹ 250 Crore. Going forward, we will continue scaling up the business in the ABG ecosystem to expand our market footprint in the MSME segment.

Our omni-channel, multi-mode collections platform for merchants, **Payments Lounge**, also launched in 2023, has one of the highest transaction success rates of over **96%**. It has delivered a monthly run rate of ₹ **2,000 Crore GMV** as of March 2024.

DRIVING SYNERGIES

We propose to leverage the broader ecosystems across ABC and ABG companies. And I am pleased to share that your Company has tapped into the vast scope of opportunities available within this ecosystem. For instance, in our NBFC business, Udyog Plus was integrated with supply chain financing achieving a monthly disbursement run rate of ~₹ 60 Crore in FY24. Our housing finance business has also scaled up a dedicated alternate channel

for leveraging the ecosystem, achieving a disbursement of ₹ 632 Crore (~ 10% of retail disbursement) through this ecosystem.

STRATEGIC ENDEAVOURS

I am proud of what we have achieved as '**One Team**' by staying focused on delivering quality, profitable and sustainable growth for our stakeholders. This is also evident in the overwhelming support and confidence received from our promoter group and marquee institutional investors that stand as an endorsement of the significant progress made by our businesses, fuelling renewed optimism in the franchise.

In June 2023, your Company raised ₹ **3,000 Crore of equity capital** (₹ 1,750 Crore via QIP and ₹ 1,250 Crore via preferential allotment to promoter and promoter group). This was your Company's first QIP transaction which received a phenomenal response from marquee foreign portfolio investors, sovereign wealth funds and domestic institutional investors. This would help your Company augment its capital base, improve solvency margin, make strategic investments in digital platforms, technology and support future growth opportunities.

With the aim of meeting the minimum public shareholding requirement by October 2024, as required by the SEBI guidelines, Aditya



Birla Capital and Sunlife sold about 5% and 6.5% stake in ABSLAMC respectively through an Offer for Sale (OFS). The sale received an overwhelming response from investors across domestic and foreign funds. It helped in strengthening the balance sheet by enhancing capital base by about ₹ 570 Crore.

As a part of our strategic vision of positioning your Company for continued growth and success, we started the process of amalgamating Aditya Birla Finance into Aditya Birla Capital, as approved by the Board of Directors of both the companies. This would help create a strong capital base for your Company to grow its business, unlock synergies and participate in India's growth story. The amalgamation would also result in compliance with the Scale based Regulations of the RBI, which required mandatory listing of Aditya Birla Finance by 30th September 2025. The amalgamation is subject to regulatory and other approvals, as may be required.

WAY FORWARD

Looking ahead, the global economic conditions may continue to remain uncertain, with unevenness in growth prospects across various geographies. However, India is well poised to grow sustainably, benefitting from the results of reforms undertaken and the vast potential of its economy. As we steer through this favourable period of strong macroeconomic fundamentals and new growth opportunities, we are confident about your Company's path to progress.

Guided by its core values and cultural anchors, your Company will continue to focus on participating in profitable opportunities

and enhancing its franchise, underlined by a risk-calibrated growth, a focus on value creation for all stakeholders, and a firm commitment to building a culture that resonates the Group's ideals and purpose.

I would like to extend my gratitude to our Chairman and the Board for their support and continued guidance, and to our shareholders for their trust and confidence in our vision and strategy. Your continued support is our biggest strength.

Vishakha Mulye

Chief Executive Officer,
Aditya Birla Capital

The proposed amalgamation will help us to serve our customers better, achieve efficient utilisation of capital, enhance operational efficiencies and holds the potential to create long-term value for all our stakeholders. ”

Contents

About us **09-31**

Who we are	09
Structure and performance highlights	10
Our approach	12
Data, digital and technology	13
Business segments	20

Delivering value **32-65**

ESG – Environment	32
Social – Employees	36
Social – Communities	40
Governance	46
Risk management	50
Board of directors	56
Leadership team	58
Awards	60
Our top campaigns	62
Brand refresh	64
Corporate information	65

Statutory reports **66-203**

Management discussion and analysis	66
Board's report	102
Corporate governance report	124
Business responsibility & sustainability report	160

Financial statements **204-468**

Standalone financial statements	204
Consolidated financial statements	300



Scan to know more or visit our website: www.adityabirlacapital.com





Who we are

Empowering your financial journey

We are prominent financial services conglomerate in India offering all financial solutions under one umbrella to our customers. We meet diverse financial needs of our customers by offering loans, investments, insurance and payment facilities. We provide seamless customer experience through our integrated brand and service platforms.

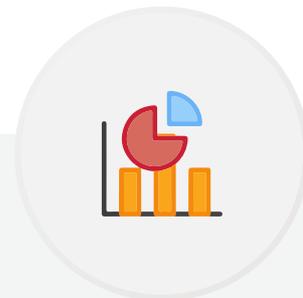
OUR STRENGTHS



Strong brand name and parentage resonating trust



Seamless access to capital



Large growth opportunities within the ABC and extended ABG ecosystem

About Aditya Birla Group

Aditya Birla Group, a US\$65 Billion global conglomerate, is in the league of Fortune 500. Anchored by an extraordinary force of over 187,000 employees, belonging to 100 nationalities, the Group is built on a strong foundation of stakeholder value creation. With over seven decades of responsible business practices, the Group's businesses have grown into global powerhouses in a wide range of sectors.

CORE VALUES



INTEGRITY



SEAMLESSNESS



COMMITMENT



SPEED



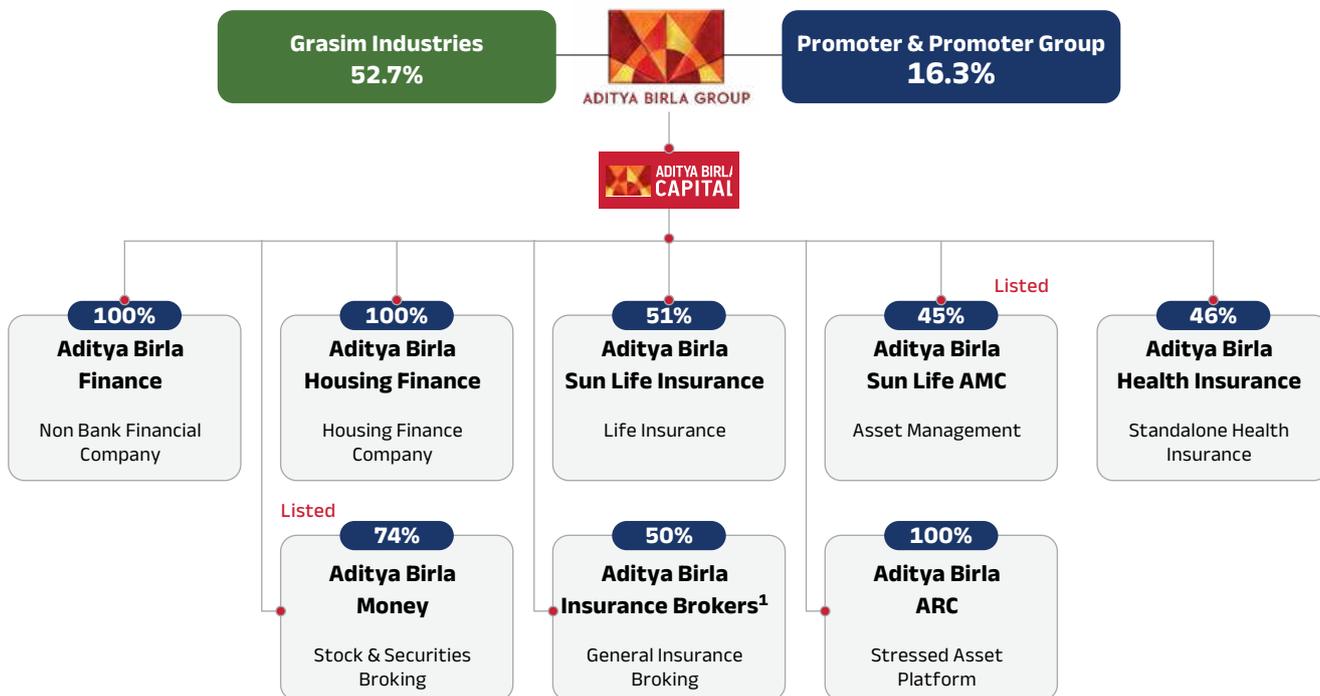
PASSION

Structure and performance highlights

Strong growth momentum

STRUCTURE OF ADITYA BIRLA CAPITAL

Diversified Financial Services Platform from a Trusted conglomerate



Above is not intended to show the complete organisational structure and entities therein. It is intended to describe the key businesses of Aditya Birla Capital.
¹ The Board of Directors of Aditya Birla Capital at its meeting held on 27th March, 2023 has approved the sale of its entire stake in Aditya Birla Insurance Brokers Limited (ABIBL) subject to requisite approvals.

KEY HIGHLIGHTS FY24

₹2,902 Crore
Consolidated PAT¹

▲ 41%

₹39,050 Crore
Consolidated Revenue^{1, 2}

▲ 30%

₹1,24,059 Crore
Lending Book³

▲ 31%

₹4,36,442 Crore
AUM⁴

▲ 21%

₹20,961 Crore
Gross Insurance Premium⁵

▲ 18%

1,474
Branches

▲ y-o-y growth

1. Excluding one-off items

2. Consolidated segment revenue; for Ind AS statutory reporting purpose Asset management, wellness business and health insurance (from October 21, 2022) are not consolidated and included under equity accounting

3. Lending book of Non Bank Finance Company and Housing Finance Company

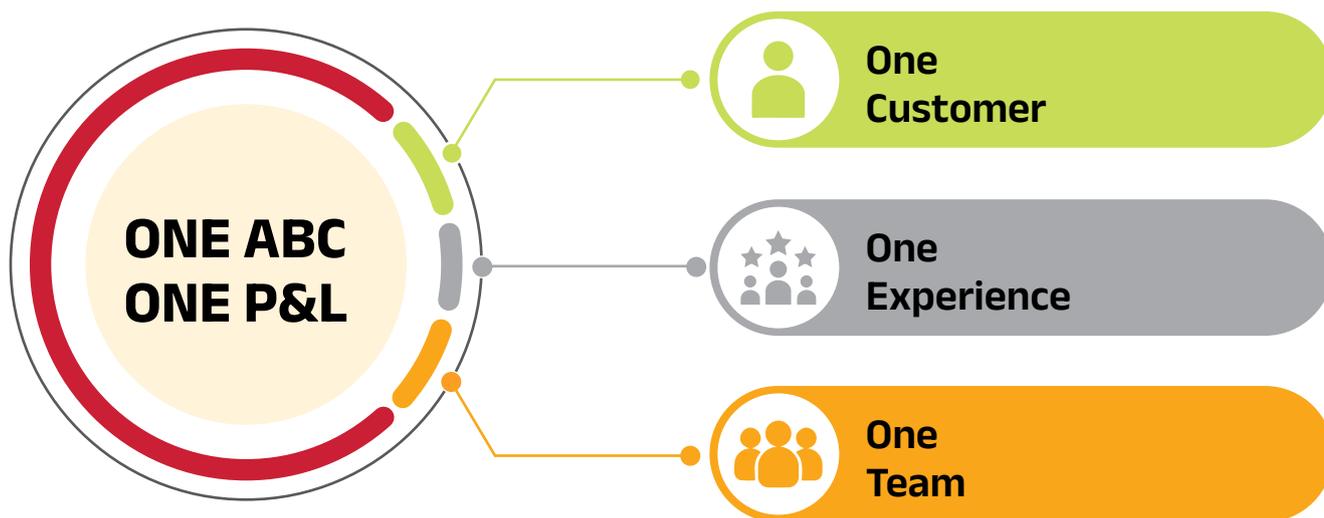
4. Asset under management of AMC, Life and Health Insurance

5. For Life and Health Insurance

Our approach

One ABC One P&L

We follow 'one ABC one P&L' approach to drive quality and profitable growth by leveraging Data, Digital and Technology. The three pillars of the approach are – One Customer, One Team and One Experience.



By Leveraging Data, Digital and Technology

An unwavering commitment to **customer centricity** is the bedrock of our strategy. We recognise that understanding and meeting customer needs are paramount to our success. We endeavour to provide comprehensive financial solutions tailored to individual preferences and life stages. Through various products such as Insurance, Loans, Investments and Payments, our aim is to offer seamless, 360-degree solutions that anticipate and address customer needs. Our approach is guided by deep customer insights, ensuring intuitive journeys and personalised experiences across all touchpoints.

Integral to our customer-centric approach is the concept of unified **'One Experience'**. Our omnichannel architecture allows customers to interact seamlessly across channels such as digital platforms, branches and VRMs, fostering engagement and loyalty.

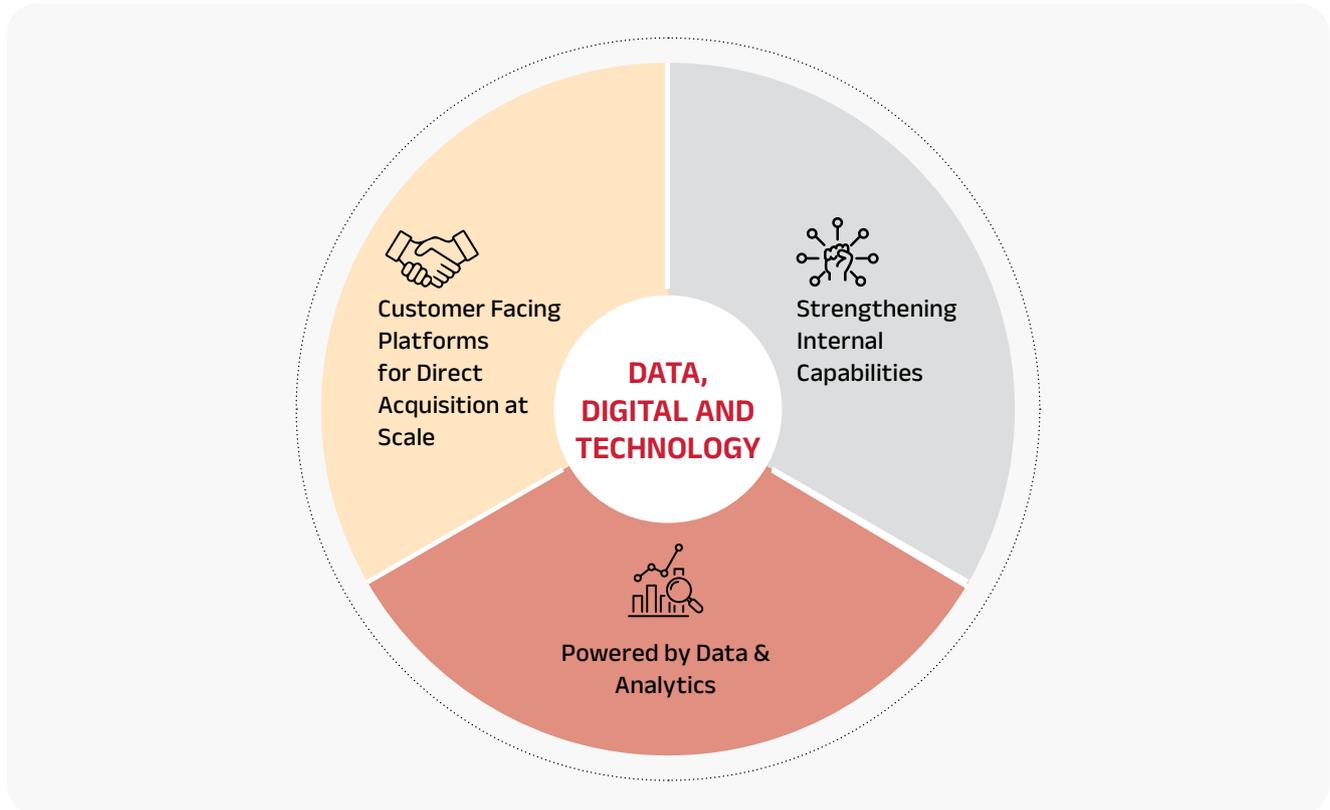
Our robust digital platforms, **ABCD-D2C** platform and **Udyog Plus-B2B** platform, serve as the backbone of our customer engagement strategy. Through our 796 co-located branches across 220 locations we enable customers to achieve their financial goals seamlessly.

We ensure a cohesive and comprehensive customer experience. We collaborate internally as **'One Team'** and inculcate **'Winning as One'** mindset among our people to deliver holistic solutions to our customers.

Our **prudent risk management** practices have enabled us to pursue growth while protecting capital. Our steadfast commitment to maximising returns on capital invested has helped us to sustain the growth momentum across businesses, laying the foundation for future success in an ever-evolving financial services industry.



Reimagining customer experience



CUSTOMER FACING PLATFORMS FOR DIRECT ACQUISITION AT SCALE

ABCD
Omnichannel D2C platform offering financial solutions across loans, insurance, investment & payments

LIVE Since Apr'24

Udyog Plus
Addressing 360⁰ needs of MSMEs

LIVE Since Jun'23

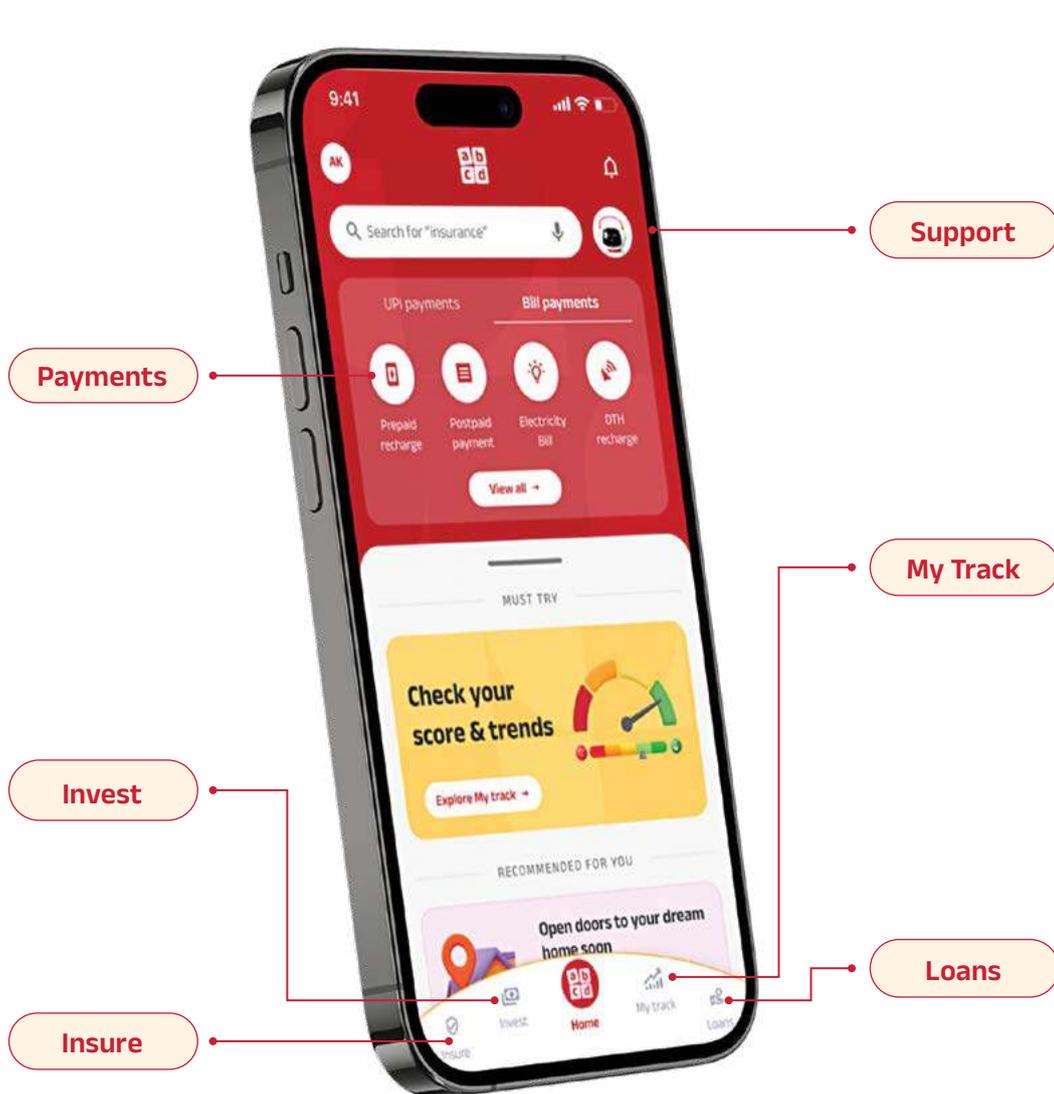
B2D Platform
Platform for distributors & channel partners

Development in 6-9 months

Building interoperable digital platforms

Data, digital and technology

ABCD: OMNICHANNEL D2C PLATFORM



Features

Simplicity

- Unique and engaging design
- **Uncluttered Layout**
- **Intuitive Navigation**

Everything Finance

- One Platform for all things finance
- **In-house manufacturing advantage**

Omnichannel from Day 1

- Digital, Virtual & Branch coverage
- **Gen AI-powered chatbot** and voice search

Payments

- **Multi Account Payment**
- **Multi-mode receipt**
- **Pre-verified bank transfers**



Rooted in profound customer insights and fortified by our strategic advantages, the ABCD-D2C platform emerges as a beacon of financial empowerment, embodying trust, convenience, and unparalleled breadth in product offerings.

Our value proposition is multifaceted, promising customers "Everything Finance" at their fingertips. Through ABCD, we offer various **lending** products such as home loans, personal loans and business loans, multiple **investment** avenues including DigiGold, Sovereign Gold Bonds, and Mutual Funds to cater to diverse financial needs of our customers. We also provide **insurance** solutions such as life, health and motor

insurance. UPI-powered **payment solutions** with features like multi-account payment and multi-mode receipt are set to redefine the digital financial experience.

My Track feature allows users to track their financial health, credit scores, spending patterns and provides them AI-powered support at every step of their journey. The platform also features ABCD's own stack of products such as Portfolio Consolidator, Spend Analyser, Digital Health Assessment among others.

Our platform boasts a user-friendly design, demystifying financial concepts while injecting an element of

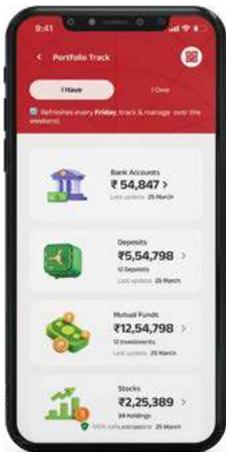
gamification for enhanced engagement. Integral to the success of our platform are our people and **user-centred design philosophy**, ensuring that customer needs remain at the forefront of our development efforts.

ABCD has been built in a record time of 12 months, which is among the fastest in the Indian financial services sector. It's available for download at the App store and Play Store. This platform is housed under Aditya Birla Capital Digital Limited ('ABCDL'), a wholly owned subsidiary of Aditya Birla Capital Limited ('ABCL').

20+
product categories

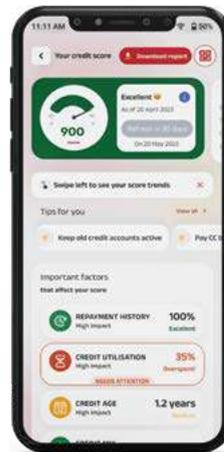
ABCD: My Track

Serving latent needs with actionable insights



Portfolio Track

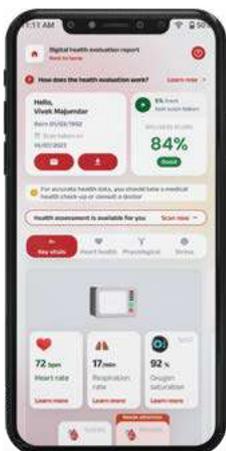
Unified view of bank accounts, deposits, mutual funds & stocks



Credit Track

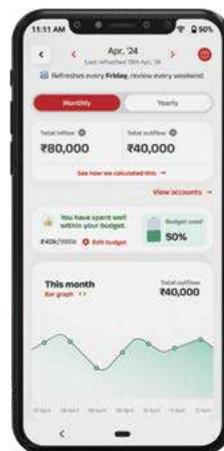
Understand factors affecting your credit score

Score simulator



Health Track

Instant health check across 24 key vitals with just a selfie



Spend Track

Automatically track and categorise spends across all your Bank accounts

Personalised spends vs. budgets

Data, digital and technology

PAYMENTS

Our foray into 'Payments' complements our core offerings, bolstering customer engagement, fulfilling transactional needs, and reinforcing brand recall. Payments, as a fundamental component of our suite of services, propels us towards becoming a full-stack financial services company.

In our pursuit of a unified customer proposition, the ABCD Payments Lounge emerges as a cornerstone, enriching the holistic financial experience we offer. The ABCD Payments Lounge serves as a single platform, consolidating services from account aggregation, acquiring banks, and networks.

This consolidation ensures an omnichannel experience across our customer touchpoints, including branches, website & app, and virtual engagement. Customers can seamlessly transact across various payment modes, including cards, net banking, UPI, and wallets, eliminating fragmentation and enhancing transaction success rates.

At the heart of the Payments Lounge lie UPI and Bill Payments, offering a range of products, features, services, and technological innovations tailored to customer needs. From UPI international to simplified self-transfers and pre-verified bank transfers, our suite of offerings ensures convenience and security at every step.

100+
Payments Services

30+
Customer Value Propositions

26+
Biller Categories

ABCD: UPI and Bill Payments

@abdcicici

Technology

- TPAP on API model
- Smart routing

Product

- UPI international
- Credit card on UPI
- UPI 123 pay

Technology

- Z-axis motion design
- Comprehensive payments history

Features

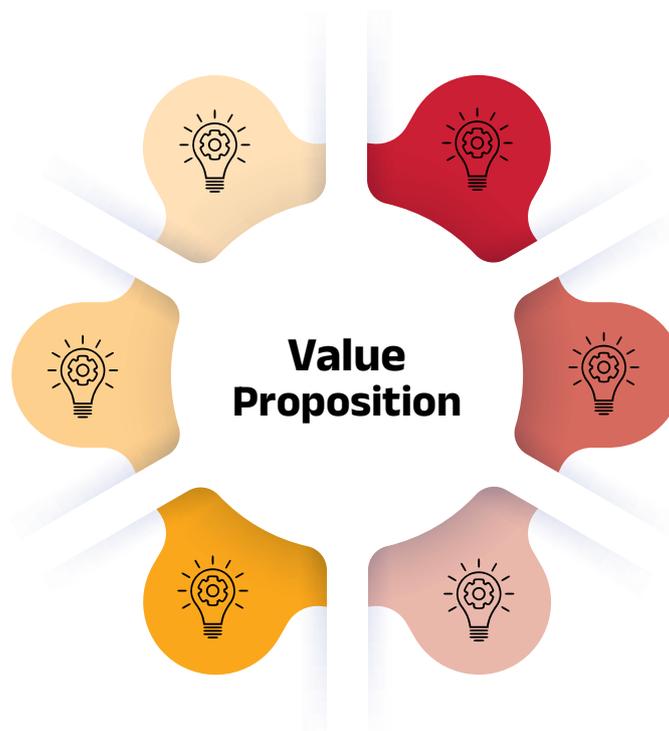
- Pay from multi-account
- Multi-mode collect
- Pre-verified bank transfers

Rewards

- Instant cashback
- User behaviour-led rewards

Services

- Omnichannel customer connect
- Proactive customer reach out



₹500+ Crore
Monthly GMV run rate



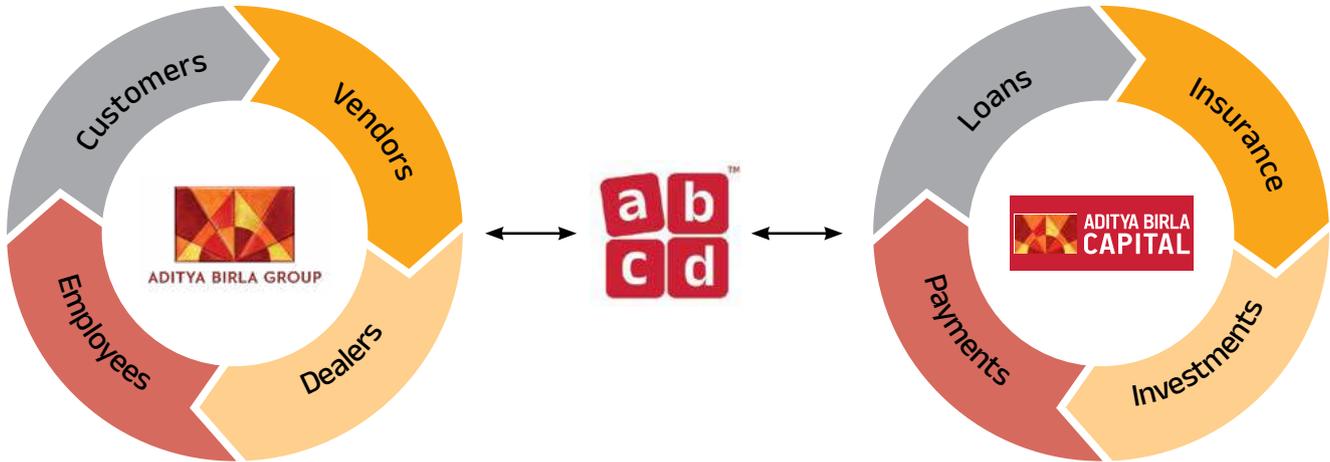
GTM Strategy: Tap the ABG and ABC Ecosystem

1,80,000+
Employees

4,00,000+
Distributors & Vendors

8,00,000+
Points of Sale

25 Crore+
Customers



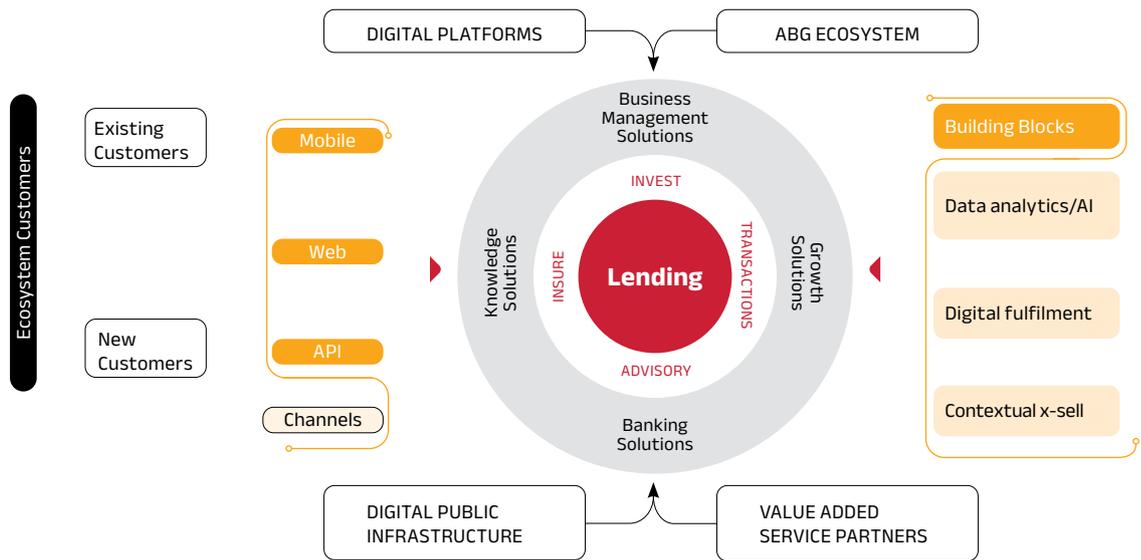
Accelerate media presence across TV, Digital & Print



30 Million
new customers
targeted in 3 years

UDYOG PLUS: ADDRESSING 360° NEEDS OF MSMEs

Architecture



Programmes

Financial Solutions

- Business Lending**
 - Unsecured business loans
 - Pre-approved loans
- Supply Chain Financing**
 - Channel Finance
 - Vendor Finance
 - Pre-approved programmes
- Insurance & Investment Solutions**
 - Health insurance
 - Life Insurance
 - MF, Digi-gold, FD

Growth Solutions

- Offline to Online discovery
- Account, HRMS & Payroll Software
- Business networking
- Business networking
- Travel Solutions

UDYOG PLUS: EMPOWERING MSMEs

Udyog Plus platform is tailored to the requirements of the MSME ecosystem, offering a seamless paperless digital journey for business loans, supply chain financing and host of other value-added services.

By leveraging both traditional and alternate data sources, we empower

MSMEs to secure credit facilities with ease. Udyog Plus has been integrated with government and private e-commerce websites via public digital infrastructure such as OCEN & ONDC to extend credit facilities to sellers operating within these ecosystems, fostering a conducive environment for business expansion.

Udyog Plus has also been integrated with the ABG ecosystem,

enabling seamless interactions across various channels, including app, web, and API interfaces for providing channel financing to dealers. Supported by robust backend building blocks encompassing data analytics, AI, and digital fulfillment, Udyog Plus delivers unparalleled value to MSMEs, empowering them to thrive in a dynamic marketplace.

8 Lakh+
Registrations¹

₹500 Crore
Disbursements¹
(2/3rd from ABG ecosystem)

₹250 Crore
AUM¹

¹ As of 30th April, 2024

**STRENGTHENING INTERNAL CAPABILITIES****Generative AI****Fintech
Engagement
Platform****Voice Tech****Service CRM****Powerd by Data and Analytics****Data Platforms and Engineering**

Efficient storage, management, processing and analysis of data

Investments in data lakes and data warehouses, and integration with various data sources and applications

Data Governance

Managing data assets with strict adherence to quality and data protection laws

Strengthening data quality standards and data governance tools and processes, complying with data protection laws

Data Science

Using ML and AI to gather predictive insights from data

Transition ABC to advanced predictive and prescriptive analytics across customer lifecycle

**Pillars of ABC
Analytics****Model Maturity & Data Quality (DQ) Assessment**

Assessment frameworks for analytical models and data quality

Assessment and improvement roadmap of predictive and prescriptive models, and of completeness and correctness of data

Decision Science

From data insights to real-world business decisions

Design of comprehensive decision science frameworks in all functional areas like Sales, Product, Credit, Operations, Risk, HR

Resourcing & Talent

Investment in talent in analytics and data engineering

Hiring skilled professionals in machine learning, deep learning, computer vision, and in data and knowledge engineering

Strong performance across businesses

Aditya Birla Finance Limited (ABFL)

ABFL is one of the leading AAA¹ rated NBFCs in India. It crossed milestone of **₹1 Lakh Crore** in terms of AUM. ABFL has been classified as an “Upper Layer” NBFC under the scale based regulatory framework for NBFCs by RBI.



412
Branches

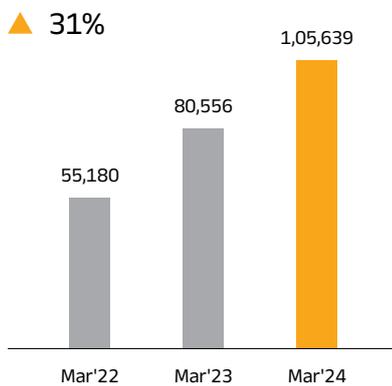
2.46%
ROA

17.10%
ROE

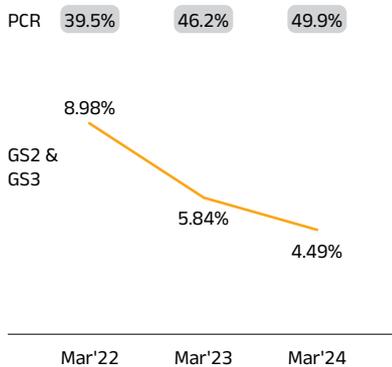
¹ ICRA, India Ratings and CARE (Long term rating)

**KEY FINANCIAL HIGHLIGHTS****AUM**

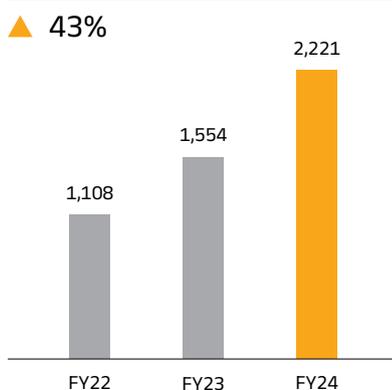
(₹ in Cr)

**Asset Quality**

(%)

**PAT**

(₹ in Cr)



▲ y-o-y growth

KEY HIGHLIGHTS FY24

- Strong y-o-y growth of 31% in disbursements
- ~ 53% of AUM comprises business loans to SMEs
- ~ 72% of the overall portfolio is secured*
- Steady increase in net interest margin (NIM) to 6.90%
- Sustained credit cost of 1.5% in FY24
- Delivered RoE of 17.10% (▲ 234 bps y-o-y)

* Including 4% through Credit Guarantee Fund Trust for Micro and Small Enterprises

Way Forward

- Scale up Udyog Plus and drive growth in MSME segment
- Increase wallet share through newly launched products in small ticket and emerging income segments
- Leverage ABG/ABC ecosystem synergies across product segments
- Increase share of direct sourcing from emerging markets and enhance geo footprint

Double the AUM from March 2023 to March 2026

Aditya Birla Housing Finance Limited (ABHFL)

ABHFL is one of the fastest growing HFCs with an AUM of ₹18,420 Crore. ABHFL is a AAA¹ rated full stack player offering a complete range of housing finance solutions such as affordable home loans, prime home loans, loan against property and construction finance. It offers home loans, loans against property and construction finance.



135
Branches

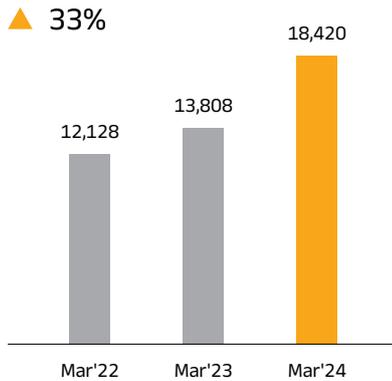
1.92%
ROA

13.87%
ROE

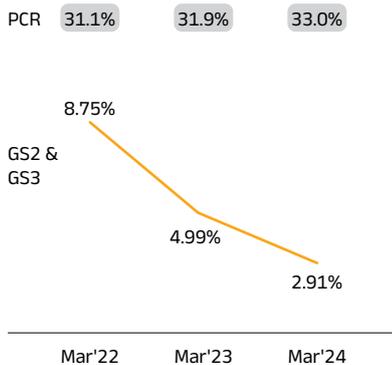
¹ ICRA and India Ratings (Long term rating)

**KEY FINANCIAL HIGHLIGHTS****AUM**

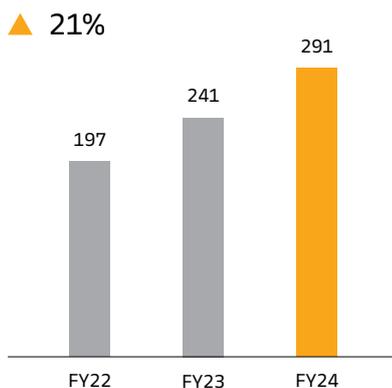
(₹ in Cr)

**Asset Quality**

(%)

**PAT**

(₹ in Cr)



▲ y-o-y growth

KEY HIGHLIGHTS FY24

- Strong y-o-y growth of 59% in disbursements with focus on quality of origination
- Pan-India presence with 135 branches covering 85% of total addressable market
- Significant improvement in asset quality with gross stage 2 and gross stage 3 loans declining to 2.91% (▼ 208 bps y-o-y)
- Steady increase in net interest margin (NIM)¹ to 5.39%
- Delivered RoE of 13.9% (▲71 bps y-o-y)
- Launched and scaled up 'Finverse' digital loan management and sourcing platform for enhancing transacting experience and reducing turnaround time

¹ including fee income & other income net of DSA expenses and processing cost.**Way Forward**

- Accelerate growth across both prime & affordable segments with focus on quality of origination
- Growth to be augmented by ABG ecosystem
- Drive data analytics & digital capabilities for seamless customer onboarding & servicing
- Sourcing driven by micro-market penetration strategy

Double the AUM from March 2023 to March 2026

Aditya Birla Sun Life AMC Limited (ABSLAMC)

ABSLAMC is the largest non-bank AMC with AUM of ₹3,25,232 Cr¹, average for Q4 FY24. During FY24, ABSLAMC continued to grow its retail franchise with healthy growth in monthly SIP flows and individual assets under management. ABSLAMC has a strong distribution network over 290 locations comprising over 81,000 mutual fund distributors and over 300 national distributors.



₹3.25 Lakh Crore¹
Mutual fund QAAUM

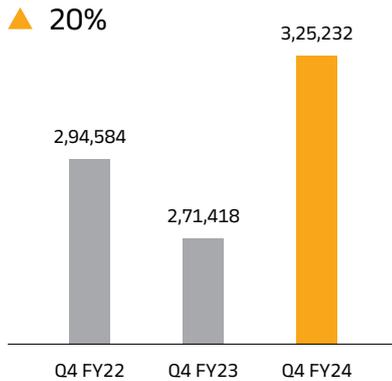
45.8%
Equity QAAUM Mix

₹780 Crore
PAT

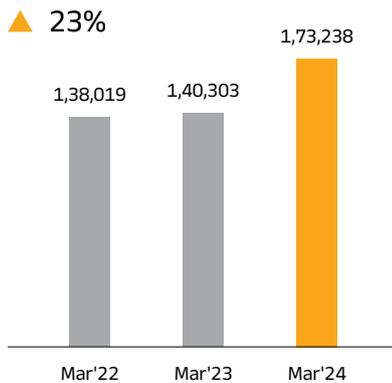
¹ Excluding ETF

**KEY FINANCIAL HIGHLIGHTS****QAAUM¹**

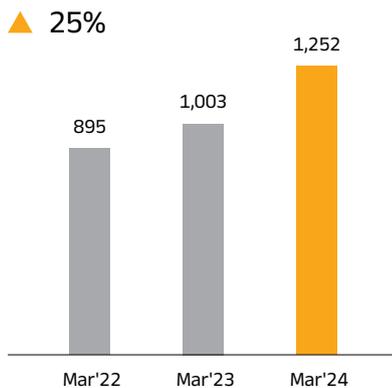
(₹ in Cr)

**Individual MAAUM**

(₹ in Cr)

**Monthly SIP Flows**

(₹ in Cr)



▲ y-o-y growth

¹Excluding ETF**KEY HIGHLIGHTS FY24**

- Mutual fund QAAUM¹ ₹ 3,25,232 Crore (▲ 20% y-o-y) with a market share of 6.9%
- Equity QAAUM of ₹ 1,52,014 Crore (▲ 31% y-o-y) with 45.8% of overall mix
- Healthy growth in retail franchise across monthly SIP flows and Individual MAAUM
- Extensive distribution franchise with 81,000+ mutual fund distributors and 300+ national distributors
- Strengthened retail sales & distribution and equity investment team
- Passive AUM at ₹28,902 Crore with existing product suite expanded to 43 products
- Profit after tax of ₹780 Crore (▲ 31% y-o-y)

¹ Excluding ETF**Way Forward**

- Scale up retail franchise and diversify product offerings
- Drive growth in SIP flows
- Increase presence in passive and alternative market segments
- Leverage digital platform for seamless delivery

Aditya Birla Sun Life Insurance Limited (ABSLI)

ABSLI is one of the leading private life insurers with total premium of ₹17,260 Crore and EV ₹11,539 Crore. Its offerings comprise protection solutions, children's future solutions, wealth with protection solutions, health and wellness solutions, retirement solutions and savings with protection solutions.



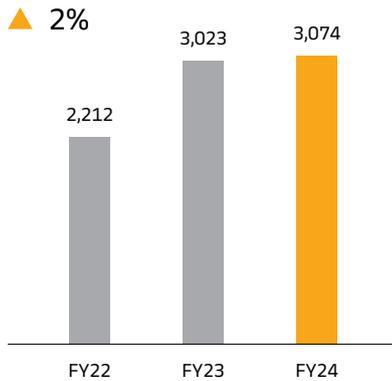
11
Banca Tie-ups

360+
Own Branches

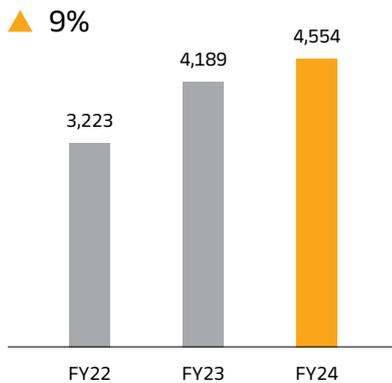
60,000+
Agents

**KEY FINANCIAL HIGHLIGHTS****Individual FYP¹**

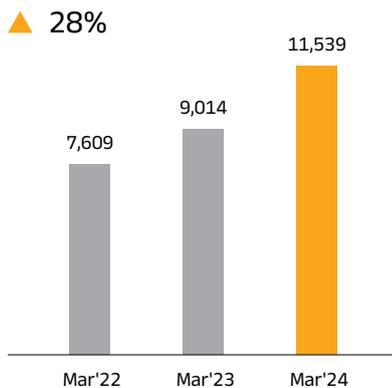
(₹ in Cr)

**Group NBP**

(₹ in Cr)

**Embedded Value (EV)**

(₹ in Cr)



▲ y-o-y growth

¹ First year premium +10% single premium**KEY HIGHLIGHTS FY24**

- Pre-approved sum assured contribution stands at 28% of individual FYP
- 24% y-o-y growth in renewal premium
- New Banca tie-ups with IDFC FIRST Bank, Axis Bank and Bank of Maharashtra
- 13th month persistency of 88% in Mar'24 (Mar'23: 87%)
- 61st month persistency of 65% in Mar'24 (Mar'23: 54%)
- Value of New Business (VNB) margin at 20.2%, with absolute VNB at ₹697 Crore
- Delivered RoEV of 18.8%

Way Forward

- Grow traditional products in retail and credit life in group
- Focus on diversifying distribution mix and increase productivity
- Continue to make investments in Direct channel and focus on increasing the share of proprietary business
- Analytics based engine to identify high propensity customers and improve upsell opportunities through pre-approved sum assured

Grow top line at 20%+ CAGR over the next three years and sustain VNB margin at 18%-20%

Aditya Birla Health Insurance Limited (ABHI)

ABHI is one of the fastest-growing Standalone Health Insurer (SAHI) player with Gross Written Premium (GWP) growth of 36% year-on-year. It has a Unique 'Health First' incentivising wellness model. ABHI provides services in 5,000+ cities and covers 11,000+ hospital partners across India.



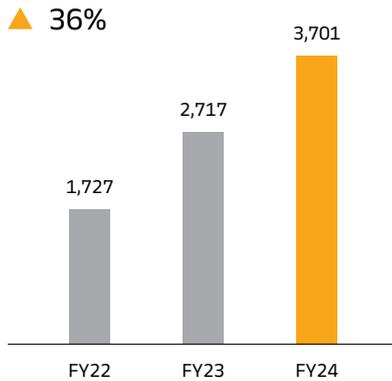
18
Bank Partners

225+
Branches

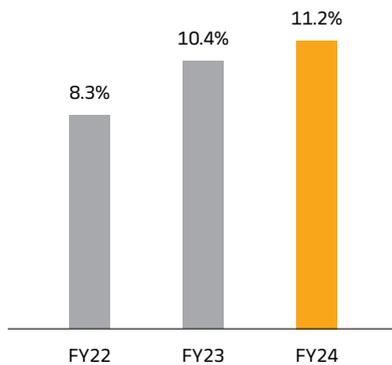
110,000+
Agents

**KEY FINANCIAL HIGHLIGHTS****GWP**

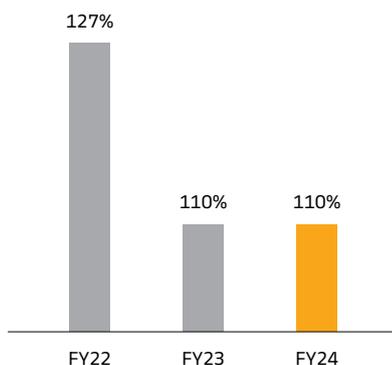
(₹ in Cr)

**Market share in SAHI**

(in %)

**Combined Ratio**

(in %)



▲ y-o-y growth

KEY HIGHLIGHTS FY24

- One of the fastest-growing standalone health insurers
- Market share of 11.2% among SAHI players (▲ 82 bps y-o-y)
- Launched Industry first Digital Health assessment 86,000+ registered users
- Well-diversified distribution mix with 18 bank partners and 1,10,000+ agents
- New banca tie ups and activations in FY24 - Yes Bank, India Post Payments Bank, UCO Bank and Punjab & Sind Bank

Way Forward

- Leverage unique 'Health First' model for better risk selection and risk pool management
- Diversify distribution covering conventional and digital platforms
- Utilise data analytics and digital capabilities for hyper-personalised engagement at scale
- Digitally-enabled Distribution with deep partner integrations

Target to achieve 100% combined ratio by FY26

Other Businesses

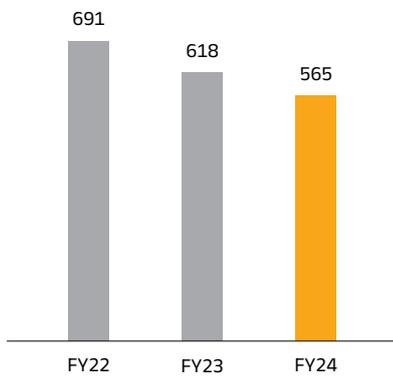
Other businesses include general insurance broking, stock and securities broking and asset reconstruction company.

Performance review

GENERAL INSURANCE BROKING

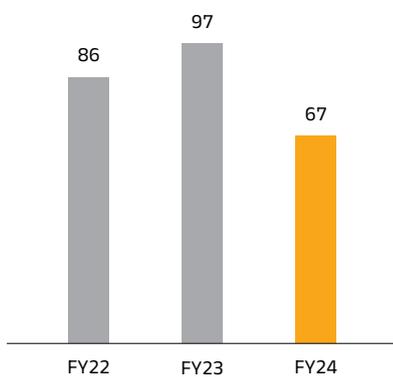
Revenue (₹ in Cr)

▼ (9%)



Profit before tax (₹ in Cr)

▼ (31%)

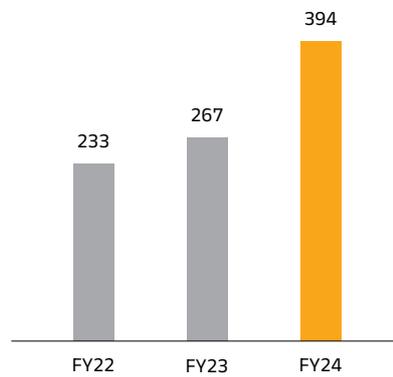


₹ 3,624 cr
Premium placement

STOCK AND SECURITIES BROKING

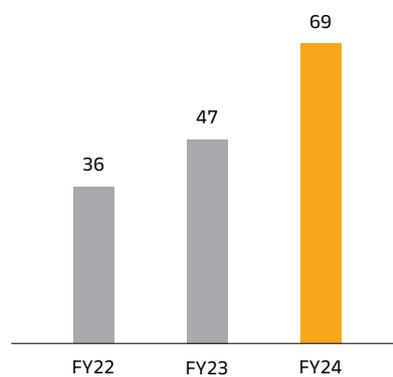
Revenue (₹ in Cr)

▲ 48%



Profit before tax (₹ in Cr)

▲ 48%

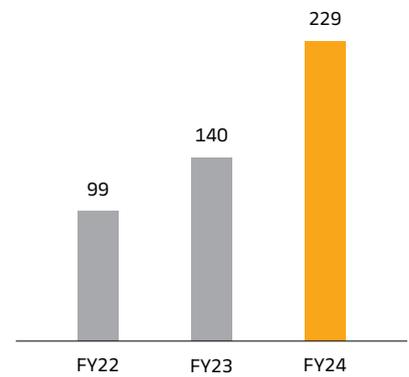


82,000
Active customers

ASSET RECONSTRUCTION COMPANY

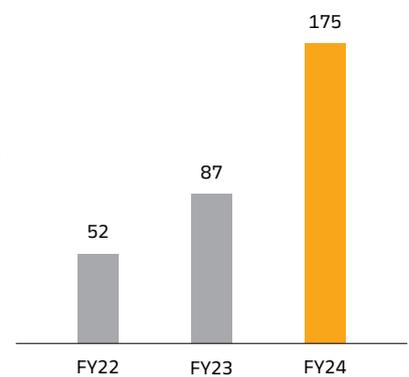
Revenue (₹ in Cr)

▲ 64%



Profit before tax (₹ in Cr)

▲ 102%



₹ 2,896 cr
Closing AUM

▲ y-o-y growth



Adopting responsible business practices

Our sustainability strategy is rooted in our dedication to environmental stewardship, safeguarding the climate, and conserving natural resources. We acknowledge that harm to the environment has direct repercussions on the health and welfare of our communities. Therefore, it is imperative for us to actively address these risks and adopt eco-conscious initiatives.



FOCUS AREAS



Energy and emission



Waste management



Water management

SDGS LINKED



3 GOOD HEALTH AND WELL-BEING



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS



ENERGY CONSERVATION AND EMISSIONS MANAGEMENT

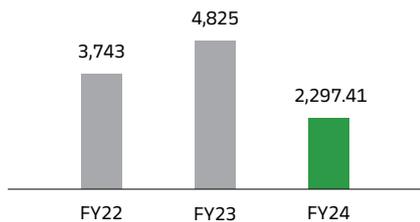
We adopt a two-pronged approach to energy efficiency strategy. One, promoting behavioural changes among our employees to save energy by managing lighting, heating, and cooling more efficiently. Two, we integrate energy efficiency into our overall operations through design and operational practices. For instance, we have installed LED lights in most of our offices to reduce energy consumption. ABCL and its subsidiaries are decreasing their annual emissions by expanding their use of renewable energy and implementing energy efficiency initiatives.

Emissions

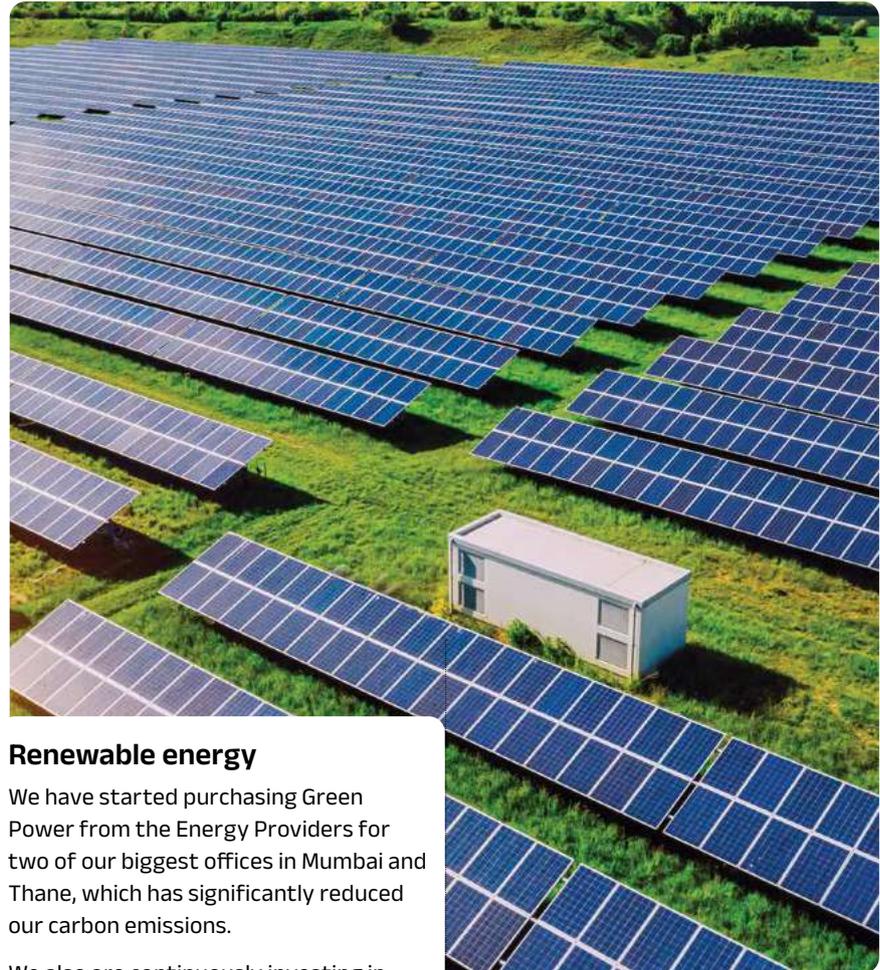
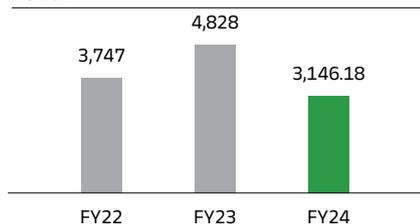
Scope 1 Emissions (MT)

FY22	4
FY23	3
FY24	848.77

Scope 2 Emissions (MT)



Total



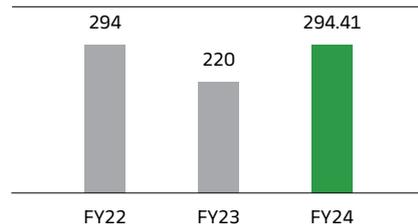
Renewable energy

We have started purchasing Green Power from the Energy Providers for two of our biggest offices in Mumbai and Thane, which has significantly reduced our carbon emissions.

We also are continuously investing in solar panels across our branches. In FY2024 we increased our solar panel capacity from 72 kW to 140 KW. We have solar panels in Bhopal, Chennai, Bengaluru, Noida, and Pune.

Energy consumption from solar panels

(GJ)



Total Renewable Energy Consumed as compared to Total energy

96,012 GJ

Total energy consumed

84,231 GJ

Renewable energy

87.92%

Percentage of renewable

ESG - Environment

APGC SYSTEM

We have installed Auto Power Generated and Conserved System (APGC) in urinals replacing old battery-powered sensors. APGC is an innovative solution where the power required to operate an automatic urinal flushing system is auto generated by the flushing system itself.

New AC systems have been installed with improved energy efficiency, resulting in significant cost savings on energy bills.



WASTE MANAGEMENT

We prioritise effective waste management and minimisation. Our strategy aims to reduce the amount of waste we generate and ensure that what we do produce is reused or recycled – whether for the same purpose or for a secondary use.

Dry waste

ABCL has tied up with ViaGreen that acts as an intermediary between corporate waste management initiatives and local/ small waste collectors (scrap dealers)/ waste business owners for waste management and recycling initiatives. In exchange for waste collected, ViaGreen awards points (Swachh Bharat Points - SBP) which can be exchanged for environment friendly office stationery made of recycled materials, contribution towards charitable causes and tree plantation drives, or cash. In addition, the Company and its subsidiaries have procedures for the disposal of e-waste in accordance with the applicable laws.



Waste collected and recycled in FY2024 (Quantity in kgs)

	Paper/ Tissue	Cardboard	Plastic	Metal	Glass	Total
FY24	22,678	5,220	912	843	78	29,731
FY23	45,331	7,047.3	1,027.5	424.45	73	53,903
FY22	9,291	5,629	2,072	976	78	18,045
FY21	1,666	2,358	617	378	164	5,183
FY20	23,370	4,540	320	500	11	29,700

3,807.5 KG

Total E waste recycled in FY 2024

90.6 MtCo2

GHG Emissions avoided

299+

Trees saved



Sanitary waste

ABCL is the first one within the ABG Group to adopt the recycling of hygiene pads through the only menstrual hygiene management company that recycles pads through their patented innovation called 'PadCareX'. Starting with just Mumbai office initially the Padcare initiatives have been expanded to 8 new branches. This collaboration offers a sustainable alternative by recycling sanitary hygiene pads, preventing landfill pollution and harmful incineration.

38,048
Pads recycled

19,023 litres
Landfill waste saved

2,039 kg
Carbon equivalent conserved

Wet waste

At our Mumbai offices, the WET waste especially the food waste from the cafeteria has been composted by the property team and has been composted by the Organic Waste Compost Machine (OWC).

WATER MANAGEMENT

With climate change increasingly causing environmental degradation, India is facing a crisis of availability of freshwater. Water conservation is essential to combating the depletion of this precious resource. The availability of fresh water is a growing challenge in some parts of the world. We carefully manage our water use and discharges.

At our offices in GCorp and Indiabulls, we are recycling our water through STP water treatment plant, this treated water is then used in the flushes of our washrooms and for plants and horticulture.

At all Head offices, we have also installed water-saving devices (Aerators) across our offices' common areas, resulting in a significant reduction in water wastage. With the help of the Aerator, the force of the water is same, but the flow gets reduced, hereby saving 50% water wastage.



WASH Pledge

ABCL and its subsidiaries participates in the World Business Council for Sustainable Development's (WBCSD) WASH Pledge, which ensures that all employees have access to safe water, sanitation and hygiene at the workplace.

1.92 (96%)

WASH Pledge
Self-assessment compliance

Building future, together

In the financial services industry, where people are central to success, the key differentiator is employee productivity. We depend on the skills and capabilities of our workforce to gain a competitive edge. Therefore, we emphasise building, developing, and retaining talent at ABC, supported by a strong employer brand, a data-driven strategy, and an inclusive and collaborative culture.



FOCUS AREAS



Talent management



Succession planning



Employee wellness and engagement



Learning and development

SDGS LINKED



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH

**46,000+****Employees along with subsidiaries****85%****Gen Y & Gen Z****31%****Women in workforce**

TALENT MANAGEMENT & SUCCESSION PLANNING

At the core of our talent initiatives is the strategic goal of futureproofing our organisation by developing a strong talent pool across various roles and functions. This commitment demonstrates our proactive approach to addressing the changing demands of our dynamic business environment.

Towards encouraging Young Talent and Early Career Professionals, we have scaled up our campus presence. In the last fiscal year, we partnered with close to 40 top-tier campuses to hire 200+ young talent in the fields of Management Trainees, Engineer Trainees, and CAs. We have also intensified our efforts toward early identification of talent and create a robust succession pool at all levels. Over the past fiscal year, we have focused on enhancing managerial effectiveness, building future capabilities in Digital, Analytics, and Technology, and preparing top talent for leadership roles at all levels.

49**Middle managers onboarded to our flagship leadership development journey****100+****Leaders attended Data Analytics Workshop****100+****Leaders attended at least one development programme****8****Women onboarded onto the women leadership development programme**

Social — Employees

LEARNING AND DEVELOPMENT

To cultivate a culture of continuous learning, we intensively leverage our Gyanodaya Virtual Campus, an advanced AI-enabled learning platform. This innovative tool provides personalised learning experiences tailored to individual needs and career goals. Additionally, our ABC university app offers an extensive range of learning resources, including online courses, instructional videos, and webinars, designed specifically for our front-line sales employees. We have partnered with leading institutes, including INSEAD Singapore, IIT Madras, ISB Hyderabad, and others to provide best-in-class learning.

In December 2023, we underscored our commitment to learning and development through our 'Learning Week' initiative. This event was

marked by the active engagement and collaboration of our senior leaders, who played a pivotal role in encouraging and inspiring our workforce. Throughout the

week, employees participated in various learning activities, workshops, and seminars, fostering an environment of shared knowledge and growth.



1,500+

Courses for sales staff through the AB Capital app

3,000+

E-learning courses available to employees

21,000+

Courses, videos, and webinars hosted on GVC

DIVERSITY AND INCLUSION

At Aditya Birla Capital, we believe that diversity fuels creativity and drives innovation. Over the past fiscal year, we have dedicated significant efforts to fostering a culture of inclusion and celebrating diverse backgrounds. Our commitment to this cause was exemplified during our 'Inclusion Week' and International Women's Day celebrations, which saw participation from over 10,000 employees. These events featured activities to boost awareness, and understanding, and celebrate our diverse workforce.

To encourage greater representation of women in middle management and senior leadership roles, we launched several initiatives aimed at supporting the professional growth of our women employees. These initiatives include

targeted leadership development programmes, mentorship opportunities, and networking events specifically designed to equip women with the skills and connections they need to advance their careers.

Our 'Men as Allies' initiative empowers men to champion women's advancement in the workplace. Through workshops, training, and dialogue, we equip men to dismantle biases, champion parity, and propel their female peers forward.



350

Male employees covered as a part of 'Men as Allies' initiative

40,000+

Employees took oath through the Inclusion Pledge

20

Women assigned as mentors to enable their development and growth

1,300+

Employees covered as part of DEI awareness and outreach programmes



EMPLOYEE ENGAGEMENT

ABC has fortified employee engagement through diverse channels, fostering connection, celebrating achievements, and mutual recognition. Last year's VIBES survey, encompassing 10,000 employees, unveiled crucial insights into workforce sentiments. This year, our engagement index soared by 7 percentage points compared to 2021, propelling us to swiftly identify key themes and craft a robust action plan for the upcoming year.

We actively participated in various engagement activities throughout the year, promoting camaraderie and teamwork. From the Cricket League to the TATA Marathon, Annual Senior Leadership Meets to Yoga Day, and festive celebrations like Ganesh Chaturthi, Holi, Diwali, and Christmas, alongside our Annual ABC Day, each event served as a platform for employees to bond, exhibit their talents, and fortify connections across the organisation.

A critical component of employee engagement is our wellness offering.

Employee Wellness

We are committed to promoting initiatives that enable our workforce to achieve optimal health and well-being. Recognising the vital role that employee wellness plays in overall productivity and job satisfaction, we have taken significant steps to enhance our wellness offerings.

To this end, we have expanded our comprehensive employee wellness programme, to include all employees. This programme now ensures that every team member has access to resources and support tailored to their specific needs. The AB Multiply App tailored to the needs of our employees offers real-time support and is being leveraged to extend all wellness offerings to our employees. For employees identified as being in high-health-risk categories, we offer specialised health coaching. These



2,500+
Diagnostic centres facilitating
preventive health checkups

25+
Interest Groups

4,000+
Employees engaged in
various interest groups

coaching sessions provide personalised guidance to help employees better understand their health conditions and make informed decisions to improve their well-being.

In addition to our wellness programme, we have introduced employee interest groups to foster a sense of community and encourage the pursuit of individual passions. These groups serve as platforms for employees to connect with colleagues who share similar interests and hobbies and build meaningful relationships outside of their regular work duties.

Our dedication to employee development and inclusion has earned us prestigious accolades:

15,000+
Employees engaged in various
health initiatives

7,000+
Employees covered as a part of
health assessment

- Excellence in Continuous Learning and Upskilling - Economic Times, Human Capital Awards, 2024
- Seramount & Avtar's Best Companies for Women India Award - 2021, 2022, 2023
- Most Preferred Workplace BFSI - Marksmen, 2023-2024
- Best Organization for Women Empowerment - UBS Forum, 2024
- Recognition for promotion of inclusion through an inclusive language guide by HDFC ERGO, 2024

Building a better world

Our endeavours to enrich the lives of the underprivileged communities, is carried out under the aegis of 'The Aditya Birla Centre for Community Initiatives and Rural Development, chaired by Mrs. Rajashree Birla, supported by Dr. Pragnya Ram, Group Executive President and Group Head, CSR, Archives & Legacy Documentation, with a strong field force of over a 1,000 CSR champions.

This Centre, along with Aditya Birla Capital Foundation, chaired by Ms. Vishakha Mulye, CEO, Aditya Birla Capital Limited, with Mr. Subhro Bhaduri, CHRO, Aditya Birla Capital Limited and Dr. Pragnya Ram as Directors, provides strategic direction and the thrust areas for our work. We operate all of our projects with their oversight. Service to society is at the core of our values. The philosophy of giving and caring is embedded in the DNA of our Group.



FOCUS AREAS



Healthcare



Education



Women empowerment
and Sustainable livelihood





Our vision



00

To actively contribute to the social and economic development of the communities in which we operate and beyond. In sync with the UN SDGs, our endeavour is to lift the burden of poverty weighing down the underserved and foster inclusive growth. In doing so, build a better, sustainable way of life for the weaker, marginalised sections of society and enrich lives. Be a force for good. 00

Mrs. Rajashree Birla, Chairperson
Aditya Birla Centre for Community
Initiatives & Rural Development

Collaborating with credible
partners for implementation
and fostering inclusive growth



Embedding our
social vision in our
business vision



Our CSR
initiatives are
based on four
key pillars



Conducting third
party audits to
ensure compliance,
transparency
and effectiveness



Planning the project
implementation with
milestones, targets,
performance management
and accountability

Key Highlights

₹52.16 Crore
CSR spend

35
Project Implementation
partners

6.7 Lakh
Lives impacted

11
States



Healthcare

Our healthcare initiatives encompass projects centred on Mother & Child Health, Mental Health, Cancer Care, etc.



MATERNAL CARE

We provide essential care for safe motherhood and child nutrition to marginalised communities. We addressed the immediate and midcourse needs of pre-natal, post-natal care, immunisation, and nutritional support to women and children in Tamil Nadu, Odisha, Maharashtra, Karnataka and Rajasthan.

61,078

Mothers/Expectant Mothers

48,480

Children immunised

MEDICAL FACILITIES FOR URBAN POOR

We have deployed 4 mobile medical units to provide healthcare services to the underprivileged communities around the One ABC branches.

25,000

Patients

CANCER CARE

Our cancer care initiative encompasses diagnostics, treatment cost support, and hospital navigation services for outstation patients.

For prevention of cervical cancer, HPV vaccination camps were arranged in communities/schools for adolescents girls and young women.

2,833

Beneficiary cancer patients

4,992

Girls/Women HPV Vaccination



ANAEMIA AWARENESS FOR ADOLESCENT GIRLS

We work for creating nutritional awareness among adolescent girls to improve health outcomes related to anaemia. The efforts included conducting haemoglobin tests, providing of sanitary napkins, iron folic acid tablets, and educational sessions on anaemia and nutrition. This has helped bring about behavioural changes as well.

Haemoglobin tests

33,711

Girls

MENTAL HEALTH

This initiative provides services for mental health care through a holistic and multi-disciplinary approach aiming to end stigma and encourage dialogue around mental health. Counselling, one-on-one sessions and focusing on mental health are its constituents.

1,66,380

Lives benefitted

Other initiatives

30

Cochlear implant surgeries for hearing impaired children

57

Congenital heart surgeries for children

326

Health facilities enhanced to increase access to quality healthcare





Education

In the domain of education, we work closely with low income/Govt. schools to better the academic as well as infrastructural facilities.



SCHOOL INFRASTRUCTURE UPGRADE

School infrastructure upgrade was facilitated in government schools in Maharashtra, Uttar Pradesh and Rajasthan. The infrastructure enhancements included refurbishments of classrooms, science labs, libraries, drinking water facility, sanitation structures. Additionally, 25 schools in Uttar Pradesh were upgraded with digital classrooms and smart content, that stoked the desire for learning and curiosity among the students.

168

Schools where infrastructure is upgraded

65,544

Students benefited through academic interventions



TRAINING FOR BETTER SERVICE DELIVERY

School management committee members were trained to enhance the quality of education in the schools. The Anganwadi centres were renovated for better service delivery towards Early Childhood education. Notably in Muzaffarpur, one of the aspirational districts of Bihar, improved nutrition programmes were provided focusing on the nutrition and basic healthcare of the children.

6,751

Children availed the nutrition programme

40

Anganwadi centres supported

179

School Management Committees strengthened



TRAINING TO STUDENTS FOR BETTER PERFORMANCE

To bridge the learning gap, remedial classes in Maths and English were conducted for tribal students from Nandurbar, an aspirational district in Maharashtra. Additionally, to improve understanding of science, the Mobile Science Labs for the students in grades 6th to 10th supplemented their theoretical learning with experiential learning, stoking their curiosity. Furthermore, the financial assistance provided to deserving meritorious students and professionals enabled them move ahead in their career, thus pursuing their dreams and ambitions. The girl child has been at the center of these engagements.

800

Student benefitted through remedial classes

20,000

Student benefitted through Mobile Science Labs

1,996

Student beneficiaries of financial assistance

Social — Communities

Women Empowerment & Livelihood

Our sustainable livelihood initiatives are woven around Women, Water and Wealth. These pan out to Madhya Pradesh, Rajasthan, Karnataka and Odisha.



STRUCTURAL MEASURES

Women farmers were supported through Community Based Organisations like Self Help Groups and Farmers Producer Companies. Structural measures for water and soil conservation were implemented. The women farmers community were trained for better crop productivity, improvement in crop cycles and market linkage. These livelihood initiatives have considerably enhanced their income.

48,905

Women farmers supported

REACHING OUT TO WOMEN ENTREPRENEURS

In partnership with BITS Pilani and NITI Aayog, Womenpreneur Bharat 1.0 was aimed to empower women startups across India by providing them with seed funding for initiatives that drive societal and business solution development.

15

Women start-ups supported

LIVESTOCK BASED LIVELIHOOD

The poorest of poor women from different vulnerable tribal groups from Jharkhand were aided through goat rearing. This helped generate sustainable livelihood, ensuring food security.

600

Women supported



FINANCIAL LITERACY

Our mobile training unit reached out to economically disadvantaged women at their doorstep in rural Bengaluru to impart financial literacy on personal finance and entrepreneurship. Additionally, young students from 426 colleges across India were accorded training on personal finance framework, awareness for various investment opportunities and the risks involved, etc.

45,595

Youth trained

VOCATIONAL TRAINING

National Skill Development Corporation (NSDC) certified, three-month residential course in Mutual Fund Distribution and Account Assistance under the Banking, Financial Services, and Insurance (BFSI) sector was offered to girls.

406

Women trained



SPORTS

15

Athletes encouraged



How we #ServeAsONE!

Gold Winners of CSR Times Award 2023
Water Conservation and Management.



Accolades/Awards CSR TIMES AWARD 2023

In gratitude:

We have come this far because of the unflinching support of our Chairman, our Board of Directors, our Management, leadership teams, our CSR cohort, partner NGOs, local communities, along with our colleagues from Aditya Birla Capital. All of them are a source of constant stimulation to aim even higher.



Building bridges of trust

ABCL is devoted to improving the long-term value for all stakeholders by actively adopting the highest ethical and good governance standards. Our values steer our dealings with our clients, co-workers, and other important stakeholders. Practicing responsibility is an essential component of our culture. We are dedicated to upholding elevated levels of business ethics and integrity, as evidenced by our corporate governance methods that harmonise the interests of all stakeholders.



GOVERNANCE PHILOSOPHY

We firmly believe in upholding sound and effective practices in corporate governance through full and fair disclosure. Our Board of Directors and Senior Management conduct themselves with the highest levels of transparency, creating a culture of responsible decision-making and ensuring adherence to applicable laws.



Board accountability towards all its stakeholders



Equitable treatment of all stakeholders



Strategic guidance and effective monitoring by the Board



Transparency and timely disclosures



Protection of minority interests and rights



GOVERNANCE FRAMEWORK

We have established a corporate governance structure founded on a competent and impartial Board responsible for supervising the implementation of our strategies to ensure a viable future. The Board operates through diverse committees formed to oversee specific functions. Our senior management regularly provides the Board with comprehensive reports on the Company's performance. Key features of the structure include:

Effective corporate governance

An effective and independent Board with a supervisory role separated from the Senior Management team.

Board Committee Structure and Operations

Constitution and functioning of Board Committees

Senior Management Reporting

Senior Management provides detailed reports on the Company's performance and key regulatory developments to the Board and Committees periodically.

CEO Performance and Material Developments Presentation

CEO presents the Company's performance and material developments on a quarterly basis and seeks feedback on operating metrics.

Ensuring the integrity of accounting and financial reporting systems, including independent audit.



Transparency and disclosures

At our company, we prioritise transparency and effective communication with all stakeholders to build trust and establish a fair business environment. We take a proactive approach to upholding the highest standards of corporate governance while strictly adhering to regulatory guidelines. To ensure transparency and accountability, we provide timely and transparent disclosures about our performance and business operations, including quarterly investor presentations and publishing earnings call transcripts. We also promptly disseminate event-based updates to our stakeholders.

BOARD COMMITTEES

Our corporate governance structure is fortified by various Committees established by the Board, each with well-defined charters and delegated monitoring responsibilities. All key Committees are chaired by Independent Directors to ensure impartiality, and

the Chairperson of the Audit and Risk Management Committee are distinct. The Board is kept apprised of key proceedings and decisions taken by the Committees through regular reporting. This reinforces our commitment to upholding the highest standards of corporate governance and transparency.

Board expertise and fit and proper criteria

Our Company is led by a diverse and determined Board adhering to the norms of Fit & Proper Criteria and having relevant expertise. We prioritise the highest level of suitability for Directors through due diligence processes, evaluating qualifications, technical expertise, track record, and integrity. The Board's commitment to maintaining the highest standards of corporate governance is reflected in the regular review and prompt updates of this information. Our leadership's unwavering focus on expertise and integrity continues to guide our Company toward a successful future.

Governance

Independent Directors meeting

The Independent Directors of our Company meet separately without the presence of the Management team to evaluate the quality, quantity, and timeliness of information flow between the Management and the Board.

Through this evaluation, they are able to review the performance and functioning of the Company and the Board as a whole and provide valuable feedback to the Chairman. Their unwavering focus on accountability and transparency helps to maintain our high standards of corporate governance, and their efforts play a critical role in steering our Company towards future success.

GRIEVANCE MECHANISM FOR INVESTORS

The Company Secretary serves as the Compliance Officer and is in charge of handling investor complaints. To submit a query, investors can use the "Queries" option available on the website of the Company/RTA, which will provide them with a grievance registration number. After 24 hours investors can use the 'View reply' option to check the status or response to their query using the registration number. Investors can submit additional queries regarding the grievance until they receive a satisfactory response.

(in Nos.)	Received	Closed	Open
Shareholder	29	28	1*

* Pending as on 31st March 2024 which stand resolved subsequently

CODE AND STANDARDS

Our Company is dedicated to conducting all business activities with transparency, ethics, and integrity. We understand the importance of building trust with our stakeholders and maintaining our growth and expansion and believe that these values must be deeply ingrained in the Company's culture in order to fulfil our commitment to acting with integrity.

The key committees that assist the Board and their attendance during the year

	Meetings	Attendance	Members	Independence
Audit Committee	5	90%	4	75%
Nomination, Remuneration and Compensation Committee	6	90%	4	75%
Stakeholders' Relationship Committee	7	100%	3	67%
Risk Management Committee	2	87.5%	3	33%



Code of Conduct

To ensure fairness and transparency in all aspects of the Company, we have developed a comprehensive Code of Conduct, which applies to all employees, including senior executives and the Board. Awareness about the Code of Conduct and its implications are provided through various modes of communication to management and employees.

The Code of Conduct is an essential part of our employee onboarding process, and new hires are required to affirm to it as part of their employment agreement. We also provide strong oversight to ensure accountability for any wrongful behaviour. These measures are put in place to create a culture of integrity within our organisation and prevent any misconduct.



Whistle-blower policy or vigil mechanism

We have established a vigil mechanism for our Directors and employees to report any concerns or instances about unethical behaviour, suspected or actual fraud, or violations of the Company's Code of Conduct. We have put in place measures to protect those who use the mechanism against any form of victimisation, and they also have direct access to the Chairperson of the Audit Committee.

The policy for this mechanism is consistent with our Company's vision, values, and Code of Conduct, and it is available for public access on our website. We are committed to creating a culture of transparency and accountability, and we believe that providing our employees and Directors with a platform to report any unethical behaviour or concerns is essential to maintaining this culture.

COMPLIANCE

The Company is registered with the RBI as a Core Investment Company. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 ('RBI Directions'), as amended from time to time, and it does not carry on any activity other than those permitted by the RBI for CICs. Compliance framework plays an integral part in effective governance, along with the internal control and risk management processes. The Company has laid down policies and procedures to ensure strict observance of all statutory and regulatory requirements applicable to the Company. As part of the overall framework there are adequate processes for ensuring compliance of regulatory/supervisory directions in both letter and spirit in a time-bound and sustainable manner. The process inter alia includes monitoring

of deviations, if any, and reporting to the Audit Committee/Board of Directors periodically.

SUSTAINABILITY GOVERNANCE

Aditya Birla Capital Limited (ABCL) recognises the paramount importance of sustainability governance in shaping its business operations and societal contributions. Committed to fostering a sustainable future, ABCL has embedded environmental, social, and governance (ESG) principles at the core of its organisational strategy. By implementing a comprehensive sustainability framework, the company actively strives to minimise its ecological

impact, promote social inclusivity, and maintain the highest standards of ethical conduct. With a strong emphasis on board-level oversight and executive accountability, ABCL ensures that sustainability considerations are deeply integrated into its decision-making processes. Through transparent reporting mechanisms, the company shares its progress and challenges, strengthening stakeholder engagement and building investor confidence. ABCL's proactive approach to sustainability governance not only safeguards its reputation as a responsible corporate citizen but also contributes to creating a sustainable and resilient financial ecosystem in India.

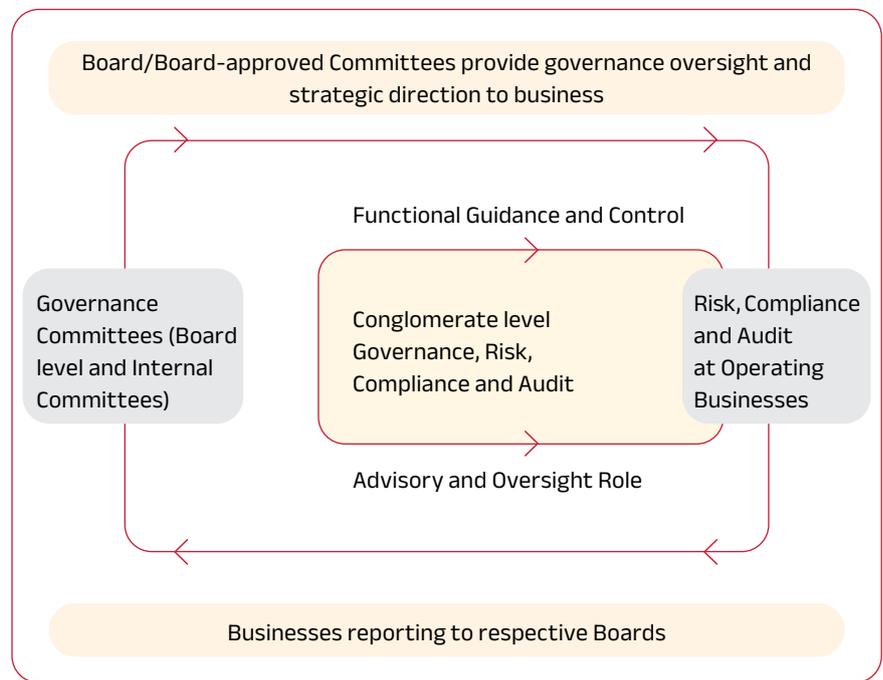


Mitigating risks and ensuring resilience

Risk management framework for the Company aims at mitigating the standalone risks as well the risks flowing from the investee companies (subsidiaries and associate companies). Considering that majority of business operations are undertaken by the investee companies, the primary approach of the Company's Risk Management approach is monitoring the risks flowing from material subsidiaries, which individually or in aggregate could possibly devolve into a key financial or reputational risk for the Company.

The Company engages with the subsidiaries on a continuous basis to understand the nature of risks, the assessment of risks as regards its criticality (severity and likelihood), mitigating actions and controls, monitoring and reporting of the same on a periodical basis to its Risk Management Committee.

The Company has implemented a comprehensive risk management strategy to identify, assess and mitigate potential risks that could impact operations, financial performance and reputation. The Risk Management framework of the investee companies prescribe the Risk Appetite Statement, Risk Policies defining risk thresholds, Process Controls, Risk dashboards and Early Warning Signals. The respective Risk Management Committees (RMC) of investee companies supervise the efficiency of these risk parameters periodically in addition to the oversight and guidance by the Company's Risk Management Committee. The Company's Risk Management function works independently from the business units under the guidance of the RMC.



The Company has also put in place Internal Capital Adequacy Assessment Policy (ICAAP) which outlines all the risks, risk mitigants, and capital requirements for present and future time periods. Under ICAAP framework,

our Company has developed qualitative and quantitative templates to measure and manage various risks like credit, market, liquidity, interest rate, operational, strategic, compliance, reputational and concentration risk.



The Company has implemented below components of Enterprise Risk Management:

- Define the risk appetite framework and risk management policies and controls to ensure risks are within our framework and fostering a healthy risk culture on an enterprise-wide scale.
- Provide an aggregated and consolidated overview of risks and capital position ensuring adequate capital buffers are in place to address business exigencies.
- Ongoing monitoring of Risk thresholds and ensuring business operations are within the defined guardrails.
- Facilitate strategic decision-making by identifying opportunities available in internal and external environment.
- Support the first line of defence (business functions) in business decisioning with balanced views of potential business opportunities and risk mitigants.
- Adherence to regulatory requirements.
- Proactive approach aimed at protecting organisational assets and maintain continuity of operations.
- Continuous Control Monitoring for effective real-time monitoring.
- Information Security and Data Privacy.
- Sustainability & Resilience of our Operations.
- Controls Act as a custodian of risk-based data and information.



Risk management

Below are the details of key controls related to Risk Management Processes

CREDIT & UNDERWRITING RISK

Credit Underwriting

- Wholesale Lending: Committee-based approach with focus on rigorous credit appraisal and cash flow analysis and security
- Retail Lending: Lending to Small and Medium Enterprises (SMEs), Retail and digital lending using robust programmes, systems and analytics
- Robust credit appraisal, assessment and approval frameworks in place for identification, measurement, monitoring and controlling risks embedded in the business of taking credit exposures.
- An Early Warning monitoring mechanism to facilitate early identification of stress and mitigation.
- Tracking all key components like Key financial indicators, covenants and documentation. Building an Escalation matrix to enable continuous monitoring and timely resolution.
- Enhanced use of behavioural scorecards and data analytics for customer selection

Insurance Underwriting

- Life and Health Insurance: Effective Reinsurance Programme
- Insuretech technology platform backed up by predictive data analytics
- Fraud Bureau alerts
- Propensity AI/ML models
- Wellness platform and wearable device technology for active health management
- Continuously monitoring of parameters that affect the value of benefits offered in the insurance products like policy lapses, premium persistency, maintenance expenses and investment returns.

EXPOSURE MANAGEMENT

Group Level Exposure Management

- Aggregate exposure limit set for borrowers and groups, monitored continuously centrally
- Exposure concentration across borrowers and groups are managed through defined exposure risk appetite and risk tiering



RIGOROUS MONITORING OF ASSET QUALITY

Lifecycle Monitoring of Exposures Early Warning Triggers

- Automation of identified triggers for key exposures to monitor early warning signals
- System-driven alert mechanism to identify signs of incipient stress
- Adoption of AI-based early warning system in lending business for enhancing portfolio monitoring approach

LIQUIDITY AND MARKET RISK

Market Risk

Managing risk through the investment policies which caps exposure to various securities through stringent trading risk limits/ triggers, concentration risks and Mark to Market thresholds.

Interest Rate Risk

Managing interest rate risks through duration management, spread re-sets, forward rate agreements for hedging and risk management

Liquidity Management

Continuous oversight on ALM and liquidity ensuring diversification and adequate liquidity management through a robust Liquidity Risk Management (LRM) Policy and Governance around Liquidity Risk

REPUTATIONAL RISK

Sales Conduct

- Verification checks at onboarding stage
- Alert monitoring and checks
- Code of conduct and whistle blowing governance framework
- Verification checks at onboarding stage
- Alert monitoring and checks
- Code of conduct and whistle blowing governance framework

Customer Grievance

- Proactive management of Customer complaints
- Regular feedback process
- Root cause analysis of customer issues
- Analysing any unfavourable viewpoints on social media or other platforms that specific segments of the market or society may hold and comprehending the need to take corrective action

Risk management

LEGAL & COMPLIANCE RISK

Legal & Compliance Risk

- Zero-tolerance approach to non-compliance across every subsidiary, all compliances regularly tracked
- Strong focus on legal risk and litigation managed by robust legal teams and processes in each business
- Active monitoring of Regulatory changes and aligning Business strategy to these changes

OPERATIONAL RISK

Proactive Approach

- Various methods including self-assessments, operational risk event management, continuous control monitoring and key risk indicator monitoring have been adopted by the Company to manage and control operational risk
- Early identification of operational risks and building an effective control framework to minimise frauds and operational losses
- Risk Control Self Assessments to identify potential Risks
- Data-driven approach to proactively identify operational risks. Drive automation in processes and build automated controls in new systems being implemented

Product Risk

Comprehensive Pre-launch Product Risk Assessment Pre-launch

People Risk

- Robust Performance management system
- Investing in Training and Development
- Long Term retention programme for High performers
- Employee Engagement programmes

Third Party Risk Management

- Strong Due Diligence process
- Vendor Risk Assessment Programme
- Ongoing Evaluation and Review

Fraud Risk

- At business level, RCU reviews matters relating to fraud risk through review of cases which are entered in the system. Various fraud control management activities like document sampling, property visit, verification of stock statement, vendor profile check, customer profile check etc. are established.
- System triggers to manage claim incidence rate and to optimise average claims cost
- Institutionalised ML-based fraud-detection model
- Multi-factor model in real-time to predict the likelihood of fraud



INFORMATION SECURITY & CYBER RISK

Protecting Business Assets

- Information security triggers monitoring at the Group level with a quick response team in place
- Strong Data Protection framework aligned with new DPDPA requirements
- Protect sensitive information and maintain the confidentiality, integrity
- Providing education and training in relation to information security and cyber risk
- Framework and Platform to report any potential cyber threats, including phishing mails , vishing calls etc.
- Protection against cloud vulnerabilities and ransomware

SUSTAINABILITY RISK

ESG Risk

- Focus on robust governance and risk management practices
- Integrating Environment, Social, and Governance factors into overall strategy as well as operations
- ESG-compliant infrastructure lending focusing on renewable green financing
- Actively working towards a collective goal of financial inclusion

CAPITAL MANAGEMENT

Internal Capital Adequacy Assessment Process (ICAAP) for Lending Businesses

- Periodic ICAAP process for ensuring adequacy of capital for Pillar 1 risk.
- Additionally, the residual risks not covered as part of Pillar 1 are assessed as Pillar 2 risk. Scenario analysis and stress testing approaches are being used for plausible capital impact.
- This enables forward-looking assessment of the capital requirements and sufficiency of present and projected capital levels given the business strategy, risk profile, risk appetite and capital plan. This methodology is supplemented with the risk management processes and governance framework.

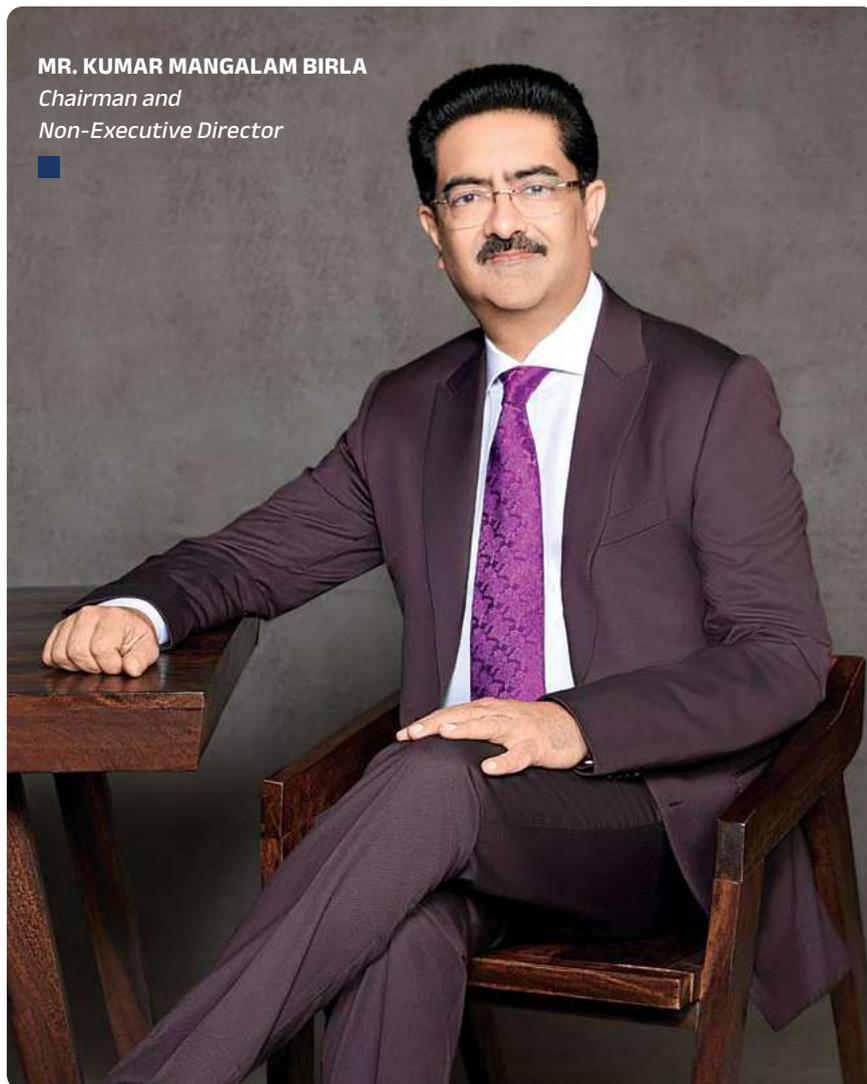
Solvency Management in Insurance Businesses

- Effective Risk Management policies and systems including in place to mitigate Actuarial and other material risks
- Solvency ratio consistently maintained well in excess of the Regulatory requirement

Board of directors

Providing direction, ensuring success

The Board of Directors carries the vital responsibility of taking important decisions and ensuring the long-term sustainable success of the Company. With a diverse and resolute leadership, possessing expertise in key functional areas, the Board navigates the organisation towards its goals while promoting a desired culture and maintaining an effective risk management framework.



100%
Non-Executive Board

30 years +
Average experience of Board

Skill and Expertise:

■ IT Strategy Committee

■ Audit Committee

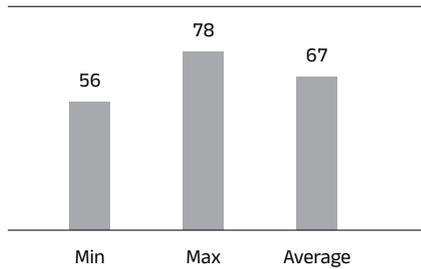
■ Asset-liability Management
Committee

■ Nomination, Remuneration and
Compensation Committee



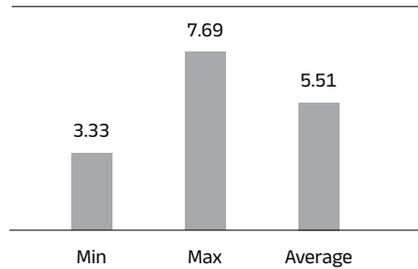
Age of the Board

(in years)



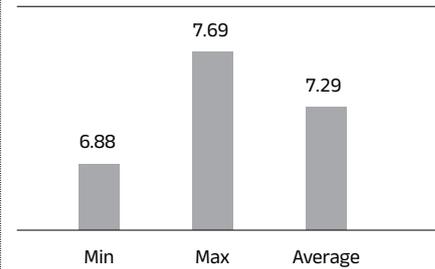
Tenure on the Board

(in years)



Tenure of Independent Directors of Board

(in years)



* Till 18th August 2023

Board meetings

Our Board of Directors holds the primary responsibility for guiding the organisation and establishing its strategic direction. Its duties include setting the Company's long-term goals, promoting the desired culture, and implementing an effective risk management framework to ensure sustainable success. The Board comprises experienced and diverse leaders who provide valuable expertise across key functional areas, allowing them to effectively steer the Company towards success.

7
Meetings

85.71%
Attendance

7*
Members

57%
Independent

* As on 31st March 2024

Leadership team

Guiding the way



Business CEOs



MR. RAKESH SINGH
Managing Director
and CEO, Aditya Birla
Finance Limited



MR. A BALASUBRAMANIAN
Managing Director and CEO,
Aditya Birla Sun Life AMC
Limited



MR. KAMLESH RAO
Managing Director and CEO,
Aditya Birla Sun Life
Insurance Limited



MR. PANKAJ GADGIL
Managing Director and CEO,
Aditya Birla Housing Finance
Limited and Head, Digital
Platforms and Payment
Strategy, Aditya Birla
Capital Limited

ABCL Management



MRS. PINKY MEHTA
Chief Financial Officer,
Aditya Birla Capital Limited



MR. SUBHRO BHADURI
Chief Human Resources
Officer, Aditya Birla
Capital Limited



MR. VIJAY DESHWAL
Chief Strategy Officer and
Head of Investor Relations,
Aditya Birla Capital Limited



**MR. RAMESH
NARAYANSWAMY**
Chief Technology Officer,
Aditya Birla Capital Limited



MR. TUSHAR SHAH
*CEO-Infrastructure
& Structured
Finance, Aditya Birla
Finance Limited*



MR. MAYANK BATHWAL
*CEO and Whole Time Director,
Aditya Birla Health
Insurance Limited*



MR. KARAN CHOPRA
*CEO and Principal Officer,
Aditya Birla Insurance
Brokers Limited*



MS. SANCHITA MUSTAPHY
*Chief Risk Officer,
Aditya Birla Capital Limited*



MR. MUKESH MALIK
*Chief Operating Officer,
Aditya Birla Capital Limited
(Till July 2024)*

Awards

Testimony of excellence

During the year, the Company, and its subsidiaries, have been recognised for their outstanding achievements across various business segments. The awards span across Business and Operational Excellence, Human Resource Practices & Sustainability and Digital Transformation & Technology Innovation.

BUSINESS & OPERATIONAL EXCELLENCE

Aditya Birla Sun Life Insurance (ABSLI) was recognised with the **Best Operational Excellence Initiative** at the InsureNext Conference & Awards 2024.

Aditya Birla Finance Limited (ABFL) won Gold for its **Automated Voice Calling** for Re-KYC Due Cases at the CII National Lean Competition.

ABFL won the 'Most Effective Marketing Campaign - NBFC' at the Pitch BFSI Marketing Awards 2023 in the category, **Financial Services - Marketing Strategies**

Aditya Birla Health Insurance (ABHI) was recognised as the **Best Customer-Oriented Company** in the health category at the ICC Asia Insurance Awards 2023.

ABHI won Gold for 'Activ Fit' in the **Product of the Year category** at the SKOCH Awards 2023.

ABHI won the Moment of Truth recognition for its **claim experience** at the ASSOCHAM 15th Global Insurance Summit and Awards 2023.

ABHI won Gold for the **Best Thought Leadership Initiative** for the New Normal Health Report at the Afaqs Brand Storyz Awards 2023.

ABHI also won Outstanding Marketing Campaign of the Year for the **'KyaPeecheChhodaHai'** campaign at the ETBFSI Excellence Awards 2023.

Aditya Birla Sun Life AMC (ABSLAMC) won several awards for its **Investor Education programmes** including:

- Reader's Choice Most Trusted Brand recognition for investor awareness initiatives by Reader's Digest
- Best Innovator in investor education by Outlook Money Award 2024
- Best of the Best Award in investor education by the Asia Asset Management 2024.
- Nivesh Manthan's recognition in 4 categories — content, reach, creativity, and consistency.



HUMAN RESOURCE PRACTICES & SUSTAINABILITY

Aditya Birla Capital Limited (ABCL) was adjudged as the Winner of the Golden Peacock Award for **ESG** in 2023.

ABCL won Gold for its **Water Conservation and Management Project** at the CSR Times Awards 2023.

ABCL won a Bronze for **Excellence in Creating a Culture of Continuous Learning and Upskilling** at the ET Human Capital Awards 2024.

ABCL was ranked among the **Top 100 Best Companies for Women in India** 2023 by Avtar the Power of Diversity.

ABHI won Gold for its **'Jump for Health' campaign** at the ET Shark Awards, ET DigiPlus Awards, and Maddies Awards for the year 2023.

DIGITAL TRANSFORMATION & TECHNOLOGY INNOVATION

ABCL's **'OneVerse'**, developed by Hexaware won the prestigious Aegis Graham Bell Award for Innovation.

ABSLI was recognised with the **Best Technology Initiative** in Life Insurance category at the 4th Annual BFSI Excellence Award 2024.

ABSLAMC won awards for the **Best Use of Native Advertising and Best User Experience in an App** at the IAMAI Awards 2024.

ABSLAMC was also recognised for **Mobile Advertising Excellence in Native Advertising** at the Mobexx Summit Awards 2023.

Our Top Campaigns of 2023-24



100% HEALTH. 100% HEALTH INSURANCE.

We launched our unique health insurance plan, Activ One, which rewards consumers for staying healthy. Unlike competitors who focus on treatment after incidents, Activ One prioritises health. It incentivises healthy actions, ensuring benefits even when treatment isn't needed. We collaborated with active, healthy Vikrant Massey, highlighting the plan's value as both insurance and a wellness partner, making it 100% health and 100% health insurance. To showcase each feature vividly, we created a series of engaging films.

Aditya Birla Health
Insurance Co. Ltd.



3 IN 1 TOH INVESTMENT DONE

With this Investor Education campaign, our aim was to educate people about the importance of diversifying their portfolio with a single investment. Just like three friends together make life easier, people can get the best of equity, debt, and gold in one investment with the Multi-Asset Allocation Fund. With 3 in 1 toh investment done campaign, we encapsulated the ease and effectiveness of Multi-Asset Allocation Fund in managing diverse assets.

Aditya Birla Sun Life
Mutual Fund





#ThinkLike30

This year, Aditya Birla Sun Life Mutual Fund achieves the milestone of completing 30 years. For us, every step of this journey has been about empowering investors with the right financial guidance. That's why, as part of our Investor Education and Awareness Initiative, we've designed the campaign #ThinkLike30, which highlights the importance of blending passion with experience when planning for a better financial future.

Aditya Birla Sun Life Mutual Fund



AB KAHANI BADLEGI

Everyone loves a transformational story. Especially one about a person who transformed their life by chasing their dreams. Through our 'Ab Kahaani Badlegi' campaign, we partnered with KL Rahul to highlight our vision of empowering individuals and enriching their lives through our range of loan solutions. The idea champions our message that anyone, from anywhere and all walks of life can script their own success story with Aditya Birla Finance Limited as their trusted partner, ensuring that — Ab Kahaani Badlegi.

Aditya Birla Finance Ltd.



TAREKA BADLO, BUSINESS BADLEGA.

Opportunities to scale up the true potential of the MSMEs of India are limited. Hence, we launched a 360-degree digital platform — Udyog Plus. It offers affordable and innovative solutions to business owners and entrepreneurs, enabling them to modernise their businesses and increase efficiency. A campaign was created that testified to the spirit and determination of these entrepreneurs and resonated with those aspiring for growth, delivering a simple message — Tareka Badlo, Business Badlega.

Udyog Plus

Aditya Birla Finance Ltd.



Brand refresh

Charting new horizons for India's money needs with Aditya Birla Capital.

At Aditya Birla Capital, we recognize the progressive needs of a new India.

Our brand refresh embodies this dedication. From our revamped logo that prioritises a digital-first approach and a regional image bank to an adaptable, expressive colour palette, it brings a new perspective that enhances clarity in symbolising the accessibility of money across the nation.

This marks a significant milestone in our journey to empower every Indian with the financial capability for a brighter future.



Image Bank



Diary



Outdoor Ad

Event Backdrop



Old Logo



New Logo





Details of committees

AUDIT

Mrs. Vijayalakshmi Iyer
(Chairperson)
Mr. P. H. Ravikumar
Mr. S. C. Bhargava
Mr. Sushil Agarwal

NOMINATION, REMUNERATION AND COMPENSATION

Mr. Arun Adhikari
(Chairperson)
Mr. S. C. Bhargava
Mrs. Vijayalakshmi Iyer
Mr. Kumar Mangalam Birla
(w.e.f. 19th October 2023)
Dr. Santrupt Misra
(till 18th August 2023)

CORPORATE SOCIAL RESPONSIBILITY

Mr. Arun Adhikari
(Chairperson)
Mr. S. C. Bhargava
Mr. P. H. Ravikumar
Dr. Santrupt Misra
(till 18th August 2023)

STAKEHOLDERS RELATIONSHIP

Mrs. Vijayalakshmi Iyer
(Chairperson)
Mr. Sushil Agarwal
Mr. Arun Adhikari
(w.e.f. 2nd August 2023)
Dr. Santrupt Misra
(till 18th August 2023)

ASSET-LIABILITY MANAGEMENT

Ms. Vishakha Mulye
(Chairperson)
Mr. P. H. Ravikumar
Dr. Santrupt Misra
(till 18th August 2023)
Mr. Sushil Agarwal
Ms. Sanchita Mustaphy
Mrs. Pinky Mehta

(Only Statutory Committee(s) details covered here)

RISK MANAGEMENT

Mr. Arun Adhikari
(Chairperson)
Mr. Romesh Sobti
Dr. Santrupt Misra
(till 18th August 2023)
Ms. Vishakha Mulye
(Only Statutory Committee(s) details covered here)

PIT REGULATIONS

Mrs. Vijayalakshmi Iyer
(Chairperson)
Mr. S. C. Bhargava
Dr. Santrupt Misra
(till 18th August 2023)
Ms. Vishakha Mulye
Mrs. Pinky Mehta

IT STRATEGY

Mr. P. H. Ravikumar
(Chairperson)
Mrs. Vijayalakshmi Iyer
Ms. Vishakha Mulye
Ms. Sanchita Mustaphy
Mrs. Pinky Mehta
Mr. Mukesh Malik
Mr. Subhro Bhaduri
Mr. Amber Gupta
Mr. Makesh Chandramohan
Mr. Ramesh Narayanaswamy

KEY MANAGERIAL PERSONNEL

Ms. Vishakha Mulye
Chief Executive Officer
Mrs. Pinky Mehta
Chief Financial Officer
Mr. Amber Gupta
Company Secretary

STATUTORY AUDITORS

B S R & Co. LLP
Chartered Accountants

SECRETARIAL AUDITORS

N L Bhatia & Associates
Practising Company Secretaries
(For FY24)

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited
Unit: Aditya Birla Capital Limited
Selenium Building, Tower-B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad, Rangareddy,
Telangana, India - 500 032

REGISTERED OFFICE

Indian Rayon Compound,
Veraval - 362 266, Gujarat
T: +91 2876 243257
F: +91 2876 243220
CIN: L67120GJ2007PLC058890
E: abc.secretarial@adityabirlacapital.com
W: www.adityabirlacapital.com

CORPORATE OFFICE

One World Centre, Tower-1,
18th Floor, Jupiter Mill Compound, 841,
Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400 013
T: +91 22 4356 7000
F: +91 22 4356 7111

Management discussion and analysis

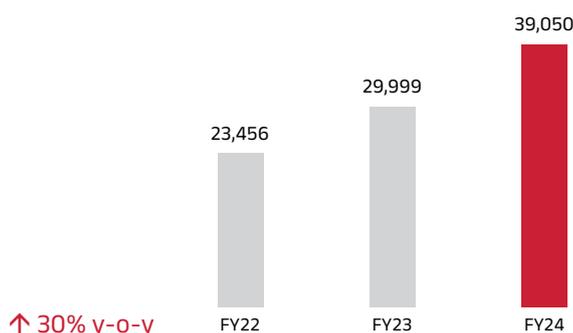
OVERVIEW

Aditya Birla Capital Limited (ABCL) is the financial services platform of the Aditya Birla Group. Through its subsidiaries/JVs, ABCL provides a comprehensive suite of financial solutions across Loans, Investments, Insurance and Payments to serve the diverse needs of customers across their lifecycle. The Company has embarked on a transformational journey to accelerate business growth and improve profitability.

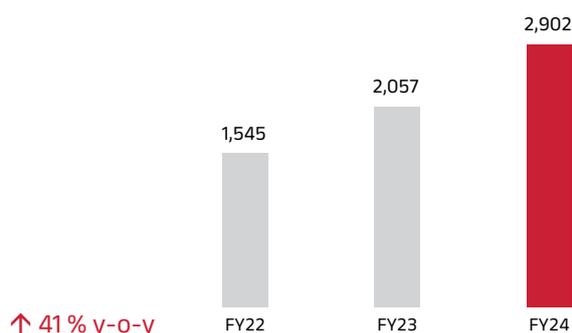
ABCL has Omnichannel architecture for distribution with a digital-first and customer-first strategy. The Company has been bolstering its digital capabilities to build an integrated portfolio to serve customers in a frictionless manner and across channels of their choice. Powered by about 47,000 employees, the businesses of ABCL have expanded their physical footprint with over 1,474 branches, more than 2,00,000 agents/channel partners and several bank partners.

Consolidated Revenue and PAT

Revenue¹ (₹ Crore)



Profit After Tax² (₹ Crore)



Backed by a diversified business model, ABCL continues to maintain its track record of consistent growth in profit delivery. Below are key highlights of ABCL's financial performance for FY24.

- Revenue¹: Grew by 30% year-on-year to ₹ 39,050 Crore
- Profit After Tax²: Grew by 41% year-on-year to ₹ 2,902 Crore
- Lending book (NBFC and Housing Finance): Grew by 31% year-on-year to ₹ 1,24,059 Crore
- Mutual fund quarterly average AUM: Grew by 21% year-on-year to ₹ 3,31,709 Crore
- Gross premium (Life Insurance and Health Insurance): Grew by 18% year-on-year to ₹ 20,961 Crore

1. Consolidated segment revenue; for Ind AS statutory reporting purpose asset management, wellness business and health insurance (from 21st October, 2022) are not consolidated and included under equity accounting, and revenue in FY24 & FY22 excludes gain on stake sale in AMC

2. PAT in FY24 excludes gain of ₹ 433 Crore on sale of shares in AMC through OFS, in FY23 excludes fair value gain of ₹ 2,739 Crore as Aditya Birla Health Insurance ceased to be a subsidiary and has been accounted as a joint venture and in FY22 excludes gain (net of tax) of ₹161 Crore on stake sale of AMC



Delivery on key metrics across business

 NBFC		 Housing		 Asset Management		Life Insurance		Health Insurance	
Loan Book¹		AUM Growth		Premium Growth²					
₹ 1,05,639 Crore	₹ 18,420 Crore	₹ 3,31,709 Crore	₹ 1,52,014 Crore	Individual FYP	Gross Premium				
▲ 31% y-o-y	▲ 33% y-o-y	Mutual Fund AAUM ³	Equity AAUM ³	₹ 3,074 Crore	₹ 3,701 Crore				
▲ 7% q-o-q	▲ 11% q-o-q	▲ 21% y-o-y	▲ 31% y-o-y	▲ 2% y-o-y	▲ 36% y-o-y				
Profitability²		Profitability²		Margin & Combined Ratio²					
PBT	PBT	Operating profit	RoE	Net VNB margin	Combined ratio				
₹ 2,987 Crore	₹ 376 Crore	₹ 721 Crore	36.5%	20.2%	110%				
▲ 43% y-o-y	▲ 22% y-o-y	▲ 8% y-o-y	▲ 295 bps y-o-y						
Credit quality		Quality		Persistency & Market Share					
GS2 & GS3 ¹	GS2 & GS3 ¹	Equity AAUM Mix ³	Monthly SIP flows ⁴	13 th month	Market share ⁶				
4.49%	2.91%	45.8%	₹1,252 Crore ⁵	88%	11.2%				
▼ 135 bps y-o-y	▼ 208 bps y-o-y	▲ 374 bps y-o-y	▲ 25% y-o-y	▲ 85 bps y-o-y	▲ 82 bps y-o-y				

¹As of 31st March, 2024 | ²For FY24. | ³Average assets under management for Q4 FY24 | ⁴Includes STP | ⁵For Mar 2024 | ⁶ Among SAHI players

CONSOLIDATED PROFIT AND LOSS

	(₹ Crore)		
	FY22	FY23	FY24
Revenue from Operations*	22,053	27,416	34,019
Profit Before Tax [before Share of Profit/(Loss) of Associates and Joint Ventures]	1,769	2,624	3,792
Add: Share of Profit/(loss) of associates and JVs	341	273	304
Profit before tax	2,110	2,896	4,096
Less: Provision for taxation	610	811	1,090
Less: Minority Interest	(46)	28	104
Profit after tax	1,545	2,057	2,902
Gain on Sale of AMC stake (net of tax)	161	-	433
Fair value gain ¹	-	2,739	-
Reported Profit After Tax	1,706	4,796	3,335

* Revenue in FY24 & FY22 excludes gain on stake sale in AMC

¹ Aditya Birla Health Insurance ceased to be a subsidiary and was accounted as a joint venture post preferential allotment of equity shares to Platinum Jasmine A 2018 Trust, acting through its trustee, Platinum Owl C 2018 RSC Limited, being a wholly owned subsidiary of Abu Dhabi Investment Authority ("ADIA")

Equity Capital Raise

During FY24, Aditya Birla Capital raised equity capital amounting to ₹ 3,000 Crore, including ₹ 1,250 Crore via preferential allotment to promoter and promoter group and ₹ 1,750 Crore through a qualified institution placement (QIP). The first-ever QIP of the Company saw a strong response from marquee foreign portfolio investors, sovereign wealth funds and domestic institutional investors. The investors participated in the QIP include BlackRock, Capital Group, Norges Bank, Royal Bank of Canada, M&G Investments, Abu Dhabi Investment Authority (ADIA), Massachusetts Institute of Technology (MIT), Public Sector Pension Investment Board (PSP) and

Management Discussion and Analysis (Contd.)

SBI Life Insurance, etc. The Company plans to use the proceeds from the fund raise for augmenting the capital base, improving the solvency margin and leverage ratio, meeting the growth and funding requirements and to make investments in one or more subsidiaries/associates/joint ventures of the Company engaged in certain businesses and technology, IT infrastructure and digital offering platforms.

Offer for Sale: Aditya Birla Sun Life AMC Limited

Aditya Birla Sun Life AMC Limited ('ABSLAMC') got listed in October 2021. Post listing, the public shareholding in ABSLAMC was 13.50%. ABSLAMC was required to achieve minimum public shareholding (MPS) of 25% within three years by October 2024 to comply with the SEBI guidelines.

During FY24, Aditya Birla Capital Limited and Sun Life Financial sold 4.86% and 6.30% respectively, through an offer for sale. The transaction received an overwhelming response from investors across domestic and foreign funds. It helped us strengthen the ABCL's balance sheet by enhancing the capital base by about ₹ 570 Crore.

Amalgamation of Aditya Birla Finance Limited with Aditya Birla Capital Limited

The Board of Directors of Aditya Birla Capital Limited and Aditya Birla Finance Limited, a wholly owned subsidiary, at their meeting held on 11th March, 2024, approved a scheme of amalgamation of Aditya Birla Finance with Aditya Birla Capital. The amalgamation will be subject to regulatory and other approval as may be required. Aditya Birla Capital is a listed systemically important non-deposit-taking core investment company that is NBFC CIC. Aditya Birla Finance is a systemically important non-deposit-taking NBFC ICC, a wholly owned subsidiary of Aditya Birla Capital. After completing the amalgamation, the assets, liabilities, and the entire business of Aditya Birla Finance will be transferred and vested with Aditya Birla Capital. The equity investment of Aditya Birla Capital in Aditya Birla Finance will be cancelled. There will be no issuance of new shares. Hence, there will be no change in the shareholding of Aditya Birla Capital. Aditya Birla Capital will be the surviving entity and will be converted from a holding company to an operating NBFC ICC with listed equity shares. The proposed amalgamation will be tax-neutral.

The rationale and benefits of the proposed amalgamation are as follows:

- 1. Rationalisation and simplification of a group structure:** The proposed amalgamation will result in reduction of legal entities and simplification of the group structure of Aditya Birla Capital.

- 2. Improved financial stability:** Post completion of the amalgamation, Aditya Birla Capital will get converted from a holding company to an operating NBFC. This will create a unified large entity with a greater financial strength and flexibility enabling direct access to capital. This will also help the Company to maximise its share of opportunities by efficient utilisation and allocation of capital.
- 3. Likely stakeholder value enhancement:** The proposed amalgamation will lead to consolidation of the businesses and operational synergies and resulting in the expansion and long-term sustainable growth. This will enhance value for various stakeholders of the Company.
- 4. Increased operational efficiency:** The amalgamation would enable seamless implementation of policy changes and reduce the multiplicity of legal and regulatory compliances.

The proposed amalgamation will result in compliance with the scale-based Regulations of RBI which require the mandatory listing of Aditya Birla Finance by 30th September, 2025.

ADITYA BIRLA FINANCE LIMITED (NBFC)

Aditya Birla Finance Ltd. (ABFL) is a wholly owned subsidiary of Aditya Birla Capital Ltd. It is a non-deposit-taking, systemically important Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). ABFL was incorporated in 1991 and obtained a certificate of registration in 1999 to carry on the business of non-banking financial institutions without accepting public deposits under Section 45IA of the RBI Act, 1934. ABFL has been categorised as an 'Upper Layer' NBFC under the scale-based regulatory framework for NBFCs introduced by the RBI, effective from 30th September, 2022. ABFL is one of the fastest-growing NBFCs in India and is amongst the top 5 diversified private sector NBFCs in India (in terms of AUM). ABFL has pan-India network with 412 branches as of 31st March, 2024, focusing on Tier III and IV cities.

INDUSTRY OVERVIEW

NBFCs cater to the diverse needs of the borrowers in an efficient manner, considering geographical scope and understanding of various financial requirements of the borrowers.

The last few years have transformed the Indian financial services landscape. The increasing penetration of neo-banking, digital authentication, and the rise of UPI along with mobile banking has resulted in the modularisation of financial services. The NBFC sector has benefited from this and has shown resilience with sound capital position, improved asset quality, adequate provisioning and higher profitability.



Management Discussion and Analysis (Contd.)

The sector has leveraged digitisation to offer alternative financing options, especially to the MSMEs and retail borrowers, who face challenges in obtaining loans from traditional banks. Demand for credit is likely to remain strong in India, especially among micro, small and medium enterprises (MSMEs) and retail. The Government of India has introduced a series of reforms and initiatives to bolster the MSME and retail credit sectors. These reforms include the Pradhan Mantri Mudra Yojana (PMMY), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), various digitisation initiatives for easier business registration, ONDC and National Infrastructure Pipeline under the Gati Shakti programme.

The RBI has kept liquidity tight in recent months and this trend is likely to continue till later part of 2024. On 16th November, 2023, RBI announced higher risk weights for unsecured consumer credit, and bank lending to NBFCs to recalibrate the risk associated with unsecured lending and exponential growth in this sector.

BUSINESS OVERVIEW

ABFL has achieved a significant milestone of crossing ₹ 1 Lakh Crore AUM in FY24. The AUM stood at ₹ 1,05,639 Crore as on 31st March, 2024, with a growth of 31% over 31st March, 2023, nearly doubling the AUM over ₹ 55,180 Crore in FY22. Our disbursements grew by 31% year-on-year to ₹ 64,387 Crore for FY24. Loans to retail, SME and HNI customers comprise ~67% of the portfolio. Our key customer segments are secured business, unsecured business, personal and consumer and corporate/mid- market. Below is a brief description of each of our customer segment:

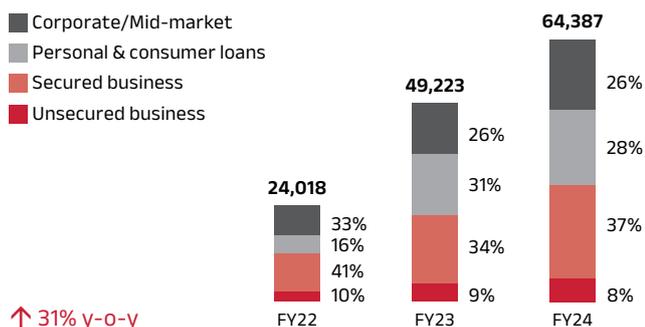
- 1. Secured business:** Our secured business loan portfolio increased by 42% year-on-year to ₹ 45,256 Crore as on 31st March, 2024, and disbursements grew by 42% year-on-year to ₹ 23,842 Crore for FY24. This segment contributes 43% to total AUM of the Company as on 31st March, 2024. The average ticket size of this segment was ₹ 1.6 Crore as of 31st March, 2024. We provide solutions in the form of loan against property (LAP), Lease Rental Discounting (LRD), working capital loans, loan against securities (LAS), Micro-LAP and other secured term loans enabling our customers to raise funds quickly. Our LRD product enables clients to finance business expansion and asset creation by monetising and unlocking value of their property. We source customers in this segment through our pan-India network of branches and direct sourcing agents (DSAs).
- 2. Unsecured business:** Our unsecured business loan portfolio increased by 31% year-on-year to ₹ 10,979 Crore as on 31st March, 2024 and disbursements grew by 22% year-on-year to ₹ 5,437 Crore for FY24. The average ticket size of this segment was ₹ 10.4 lakh. The contribution of this segment to the overall portfolio was 10%. This segment comprises overdraft, working capital, term loans to small businesses and supply chain financing. Keeping in mind the largely evolving digital landscape and the diverse needs of our customers, we have created various digital offerings in this segment. Our comprehensive B2B platform for MSMEs, Udyog Plus, offers paperless digital journeys for small ticket loans along with various value-added services. We have integrated Udyog Plus with several government and private ecommerce websites via OCEN to provide various credit facilities to sellers on these platforms. We have started integrating Udyog Plus with ABG ecosystem to provide channel financing to dealers.
- 3. Personal and consumer:** The personal and consumer loan portfolio grew by 13% year-on-year in FY24 to ₹ 17,434 Crore, and disbursements grew by 19% year-on-year to ₹ 18,089 Crore for FY24. This segment's contribution to the overall portfolio was 17% on 31st March, 2024. We cater to salaried professionals and other individuals with focus on emerging income segment. Our product offerings include personal loans, checkout financing and co-branded credit cards. We source customers in this segment through our pan-India network of branches, direct sourcing agents (DSAs) and digital partnerships. We follow prudent risk management practices with a strong emphasis on return of capital. We have strengthened the underwriting in the smaller ticket size personal and consumer loans by calibrating our credit filters and scorecards. All our digital sourcing journeys are designed for end-to-end control from underwriting to collections with minimal dependency on channel partners, giving us complete ownership of customers.
- 4. Corporate and mid/market:** The corporate/mid-market segment grew by 29% year-on-year to ₹ 31,970 Crore, and disbursements grew by 34% year-on-year to ₹ 17,019 Crore for FY24. The average ticket size was ₹ 63 Crore as of 31st March, 2024. This portfolio constitutes 30% of the overall AUM in March 2024. We serve pedigreed corporate groups across sectors such as renewable energy, roads and transport, pharmaceuticals, FMCG, automotive, education, speciality chemicals, etc. We cater to these segments with term loans, project finance, and structured finance. In select markets, we also provide developer finance to category A/A+ developers.

Diversified products offerings

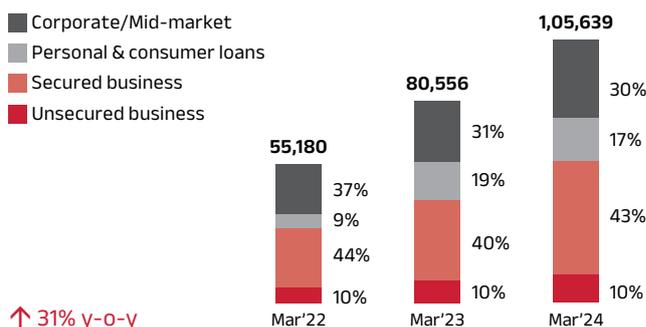
Segment	Secured Business	Unsecured Business	Personal & Consumer	Corporate/Mid-Market
Presence	Semi-urban/SME Clusters	Semi-urban	Semi-urban	Top 6-7 Cities
Sourcing	DSA+Direct	DSA+Ecosystem	DSA+Direct+Ecosystem	Relationship (Direct)
ATS ¹	~ ₹ 1.6 Crore	~ ₹ 10.4 lakh	PL: ~ ₹ 1.6 lakh, BNPL: ~ ₹ 0.04 lakh CL others: ~ ₹ 0.7 lakh	~ ₹ 63.3 Crore
Products				
	Business owners and Self-employed professionals engaged in small/mid-sized businesses	Business owners and Self-employed professionals engaged in small/mid-sized businesses	Salaried Professionals with focus on emerging income segment	Pedigreed Group Corporates/Mid-market Cos in focus sectors/Cat A/A+ developers
	Retail & SME LAP, LRD Small Ticket Secured & Micro LAP Working Capital Loans Loan Against Securities	Business Loans Supply Chain Finance B2B Digital Platform Business Overdraft	Personal Loans Consumer Loans Check-out Financing Co-branded Credit Card	Capex/WC Funding Structured Finance Developer Financing Project Finance
	Cross-sell: Personal Loan Top Ups & Cross Sell, Insurance & Wealth Solutions to ABFL & ABC customer ecosystem			

¹ ATS has been derived basis closing AUM to active customers, and represents an approximate figure as on 31st March, 2024

Disbursement (₹ Crore)



AUM (₹ Crore)

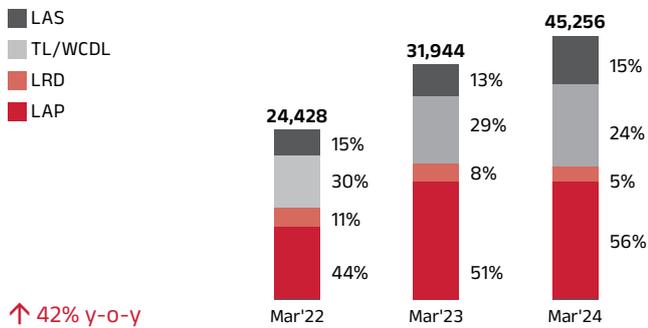




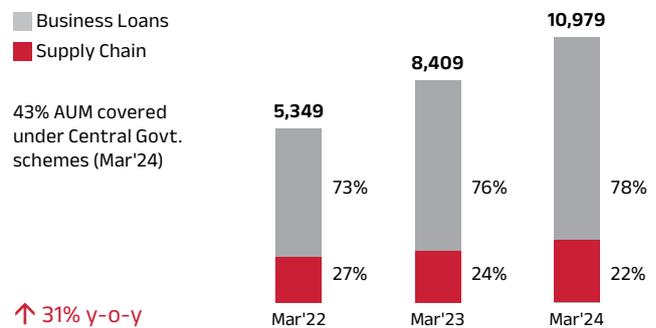
Management Discussion and Analysis (Contd.)

SEGMENT WISE AUM BREAK UP

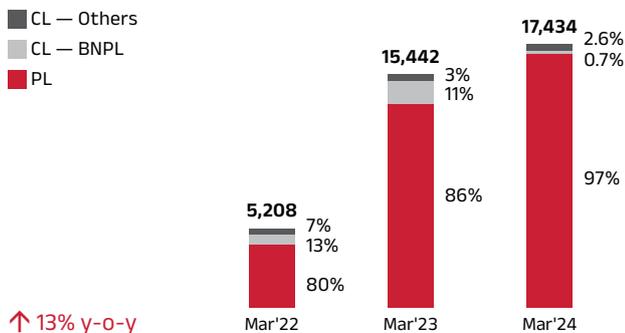
Secured business (₹ Crore)



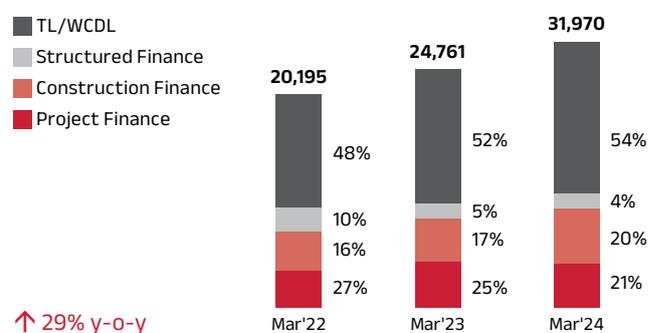
Unsecured business (₹ Crore)



Personal & Consumer (₹ Crore)



Corporate/Mid-market (₹ Crore)



Branch expansion

Our branch expansion strategy has always focused on accessing the underpenetrated credit regions. New branches are opened after understanding credit potential, analysing regional insights and serviceable locations as per the bureau scorecard. We increased our branch strength in FY24 by 89 to 412 branches as of 31st March, 2024. In line with our focus on the retail and SME segment, most branches have been added in Tier III and Tier IV markets, providing physical proximity

with the customer. The expansion of the branch network has helped significantly in increasing AUM with better control over operations and collections.

Analytics

ABFL has strong data and analytics teams across operations, including sourcing, underwriting and collections. Below is a summary of use of analytics in our operations:

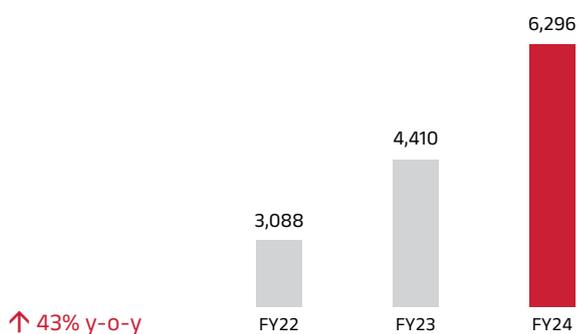
Management Discussion and Analysis (Contd.)

Onboarding	Underwriting	Portfolio Management
 <p>Sourcing</p> <ul style="list-style-type: none"> • Verification Algorithms • KYC suite • Third party applications Integrated 	 <p>Underwriting</p> <ul style="list-style-type: none"> • Credit Engines • Application Scorecards <hr/>  <p>Decision Marking</p> <ul style="list-style-type: none"> • Automated Credit Assessment Models • Manual Assessment <hr/>  <p>Pricing</p> <ul style="list-style-type: none"> • Risk-based Pricing tool • Classification Model 	 <p>Portfolio Management</p> <ul style="list-style-type: none"> • Portfolio Monitoring • Portfolio Retention • Cross Sell and Up sell-Cloud based, automated Offer Generation Engine <hr/>  <p>Risk Management</p> <ul style="list-style-type: none"> • Behaviour Scorecards • Predictive Models • Pre delinquency Predictors • Collections Intelligence
<p>ML-led deep integrated algorithms for Face, Address and Name Match</p>	<p>30+ Credit engines with integrated APIs supporting functions</p>	<p>25+ scorecards and ML Model and multiuser dashboards</p>

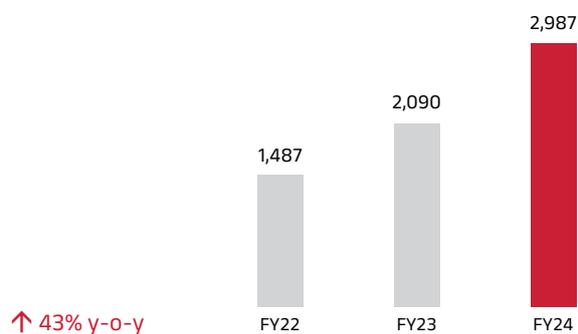
FINANCIAL PERFORMANCE

Consistent Improvement in Asset Quality and Profitability

Net Interest Income



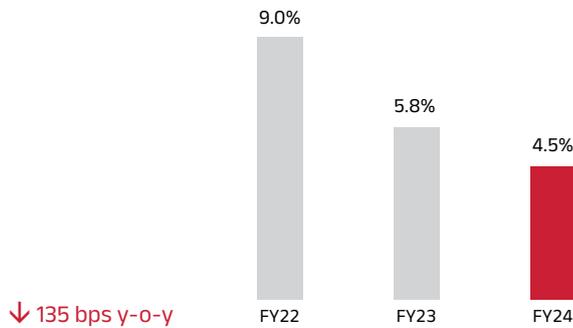
Profit Before Tax





Management Discussion and Analysis (Contd.)

Gross Stage 2 and 3



The net interest income (including fee income) grew 43% year-on-year to ₹ 6,296 Crore in FY24, driven by strong loan growth and expansion in net interest margin. The net interest margin (including fees) increased by 6 basis points to 6.90% in FY24, supported by an increase in lending rates, partly offset by a rise in borrowing costs. Operating expenses increased by 38% year-on-year to ₹ 1,957 Crore, on account of business expansion, technology and digital solutions. The cost-to-income ratio improved by 104 bps to 31.08% in FY24. The pre-provisioning operating profit increased by 45% year-on-year to ₹ 4,339 Crore in FY24. The credit provisions as a percentage of average advances was 1.50% in FY24. The profit before tax increased

Return on Equity



by 43% year-on-year to ₹ 2,987 Crore in FY24. The profit after tax increased by 43% year-on-year to ₹ 2,221 Crore in FY24. The return on assets was 2.46% in FY24 and return on equity increased by 233 basis points year-on-year to 17.1% in FY24. The total equity increased by 33% year-on-year to ₹ 15,244 Crore as of 31st March, 2024. During FY24, there was equity capital infusion of ₹ 1,600 Crore in ABFL.

Gross stage 2 loans declined by 74 basis points year-on-year to 2.0% and gross stage 3 loans declined by 61 basis points year-on-year to 2.5%. The provision coverage on gross stage 3 loans increased from 46.2% as on 31st March, 2023 to 49.9% as on 31st March, 2024.

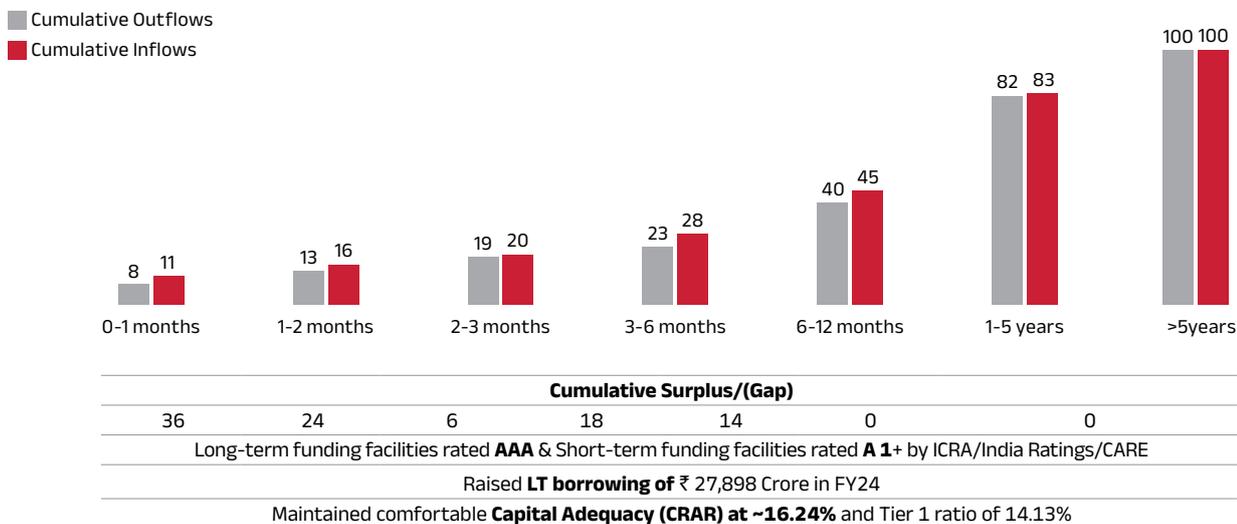
Particulars	Mar'22		Mar'23		Mar'24	
	%	₹ Crore	%	₹ Crore	%	₹ Crore
Stage 1	91.02%	49,770	94.16%	75,758	95.51%	1,00,942
Stage 2	5.41%	2,956	2.72%	2,187	1.98%	2,094
Stage 3	3.58%	1,956	3.12%	2,507	2.51%	2,649
Stage 2 and 3	8.98%	4,912	5.84%	4,695	4.49%	4,743
Total Loan book	100%	54,682	100%	80,452	100%	1,05,686
Stage 3 PCR	39.5%		46.2%		49.9%	

Well matched ALM and liquidity to enable growth

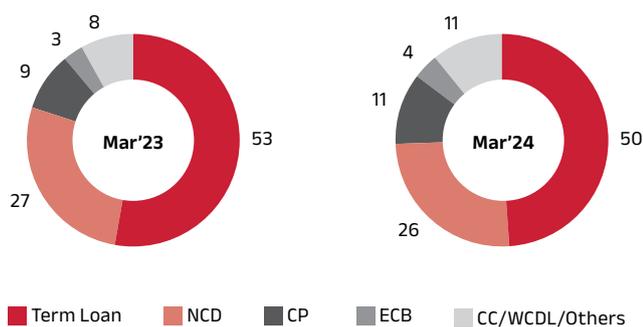
ABFL's Asset Liability Management (ALM) is optimised for both liquidity and cost. As on 31st March, 2024, ABFL's had a cumulative surplus liquidity for the tenor up to 1 year. ABFL raised ₹ 27,898 Crore in long-term borrowing during FY24.

Out of the total liabilities, 38% have fixed rates and 62% have floating rates. Of the total assets, 34% have fixed rates and 66% have floating rates. In terms of liquidity, there is significant availability to meet obligations, even under severe stress conditions.

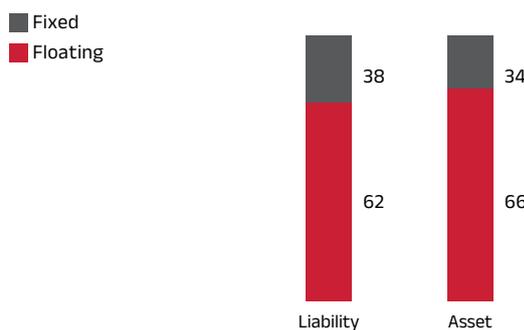
Well Matched ALM and Diversified Borrowing Mix (%)



Funding Mix (%)



Asset Liability Mix (%)



Note: Liabilities with contractual maturity less than 1 year are considered as floating.

Borrowings

ABFL has focused on optimising interest costs and improving the borrowing mix without over-dependence on a particular source of borrowing while maintaining ALM requirements. ABFL leveraged its relationships with banks and financial institutions and raised Long-Term borrowing of ~ ₹ 28,000 Crore in FY24. With a focus to diversify the sources of borrowings, ABFL launched its maiden public issue of NCD for ₹ 2,000 Crore in September-24. The NCD issue (of ₹ 1,000 Crore + ₹ 1,000 Crore) was fully subscribed on day 1 of the offer launch and was closed

in three working days. This public issue gave ABFL an entry into retail investors via long-term debt. In the coming years, ABFL intends to tap different sources to diversify its borrowing mix.

Capital adequacy ratio (CAR)

As on 31st March, 2024, the capital adequacy ratio was 16.24% (31st March, 2023: 16.38%) against a minimum of 15% as required by the RBI. Tier I capital was 14.13% (31st March, 2023: 13.92%) and Tier II capital was 2.11% (31st March, 2023: 2.46%).



Management Discussion and Analysis (Contd.)

Credit ratings

Long-term funding facilities of ABFL are rated AAA and short-term funding facilities are rated A1+ by ICRA, CARE and India Ratings. These ratings depict the confidence on sound financial management and timely repayment of financial obligations. The growth of the loan book has been accompanied by strong credit appraisal and risk management practices, which have helped us to deliver stable risk-adjusted returns and improve the quality of our book.

OUTLOOK

The non-banking financial company (NBFC) sector in India has undergone remarkable growth, establishing itself as a significant player within the country's financial landscape. One of the key drivers for the expansion of the NBFC sector is the increased demand for credit from the MSME sector. Moreover, the government's commitment to promote financial inclusion

through initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Mudra Yojana, and Stand-Up India has further elevated the importance of NBFCs. These initiatives position NBFCs as vital facilitators, providing credit access to the unbanked and underbanked population.

ABFL remains focused on simplifying finance for its customers while leveraging its digital capabilities to drive profitable growth. Going forward, we will grow our AUM by focusing on the retail and SME segments, growing the share of direct business and increasing upsell and cross-sell by using analytics. We will leverage our digital platforms Udyog Plus and ABCD, the extended ABG and ABC ecosystem and our pan-India based branch network to deliver superior TAT, enhance customer experience through mobile-friendly solutions with faster decision-making by improve customer selection process.

WAY FORWARD

Deliver Sustainable Growth & ROA In Medium Term

Enablers



↑ Scale up Udyog Plus – B2B Ecosystem



↑ Share of secured loan book (Focus on MSME)



↑ ABG/ABC ecosystem synergies across product segments



↑ STP and N-STP sourcing through digital journeys



↑ Wallet share through newly launched products in small ticket emerging income segments



↑ Share of Cross-sell & Up sell (Leveraging Analytics)



↑ Share of direct sourcing from emerging markets and enhance geo footprint



↑ Fee income opportunity through newly launched products

KEY FINANCIALS

(₹ Crore)

Profit & Loss Statement	FY22	FY23	FY24
Net Interest Income[^]	3,088	4,410	6,296
Operating Expenses	947	1,417	1,957
Credit Provisioning	653	903	1,352
Profit Before Tax	1,487	2,090	2,987
Tax	379	536	766
Profit After Tax	1,108	1,554	2,221
Total Equity	9,860	11,426	15,244
Total Borrowings and Debt Securities	45,986	70,771	92,292

Key Ratios	FY 22	FY 23	FY24
Average Yield [^]	11.72	12.76	13.70
Interest Cost/Avg. Lending Book	5.48	5.92	6.80
Net Interest Margin[^]	6.24	6.84	6.90
Opex/Avg. Lending Book	1.97	2.24	2.17
Cost-to-Income Ratio	30.67	32.12	31.08
Credit Provision/Avg. Lending Book	1.36	1.43	1.50
RoA	2.30	2.45	2.46
RoE	11.87	14.76	17.10
Debt-to-Equity	4.66x	6.19x	6.05x
Capital Adequacy (CRAR)	21.77	16.38	16.24
Tier 1 Capital	18.07	13.92	14.13

[^] Includes Fee Income and net of sourcing cost.

ADITYA BIRLA HOUSING FINANCE LIMITED (HOUSING FINANCE)

Aditya Birla Housing Finance Limited (ABHFL) is registered with the National Housing Bank as a housing finance company under the National Housing Bank (NHB) Act, 1987. ABHFL offers a comprehensive range of housing finance solutions covering home loans, home extension loans, plot and home construction loans, home improvement loans, loans against property, construction financing, lease rental discounting, commercial property purchase loan and property advisory services. ABHFL holds a long-term credit rating of AAA (stable) by ICRA and AAA (stable) by India Ratings.

INDUSTRY OVERVIEW

The mortgage industry in India is estimated to grow at 15% CAGR to cross ₹ 100 trillion by 31st March, 2030, backed by increase in urbanisation, higher affordability, and preference for home ownership post-COVID-19. Within the mortgage industry, the home loan portfolio constitutes 78.9% i.e. ₹ 31.1 trillion as on 30th August, 2023, as per a CIBIL TransUnion report.

The housing demand will likely to continue and is expected to be strong due to a combination of demographic and structural factors. These factors include a large population base, a growing middle class (which is becoming the largest consumer category), rising urbanisation, higher rates of home ownership, improving affordability, and a shortage of high-quality housing options for lower-income segments of the population.

The revival of housing demand since the pandemic has been anchored on increased preference for home ownership as well as significant upscaling among homebuyers with a preference for bigger houses and better-rated developers. This trend is reflected in the increasing contribution of higher ticket sizes of loans.

BUSINESS OVERVIEW

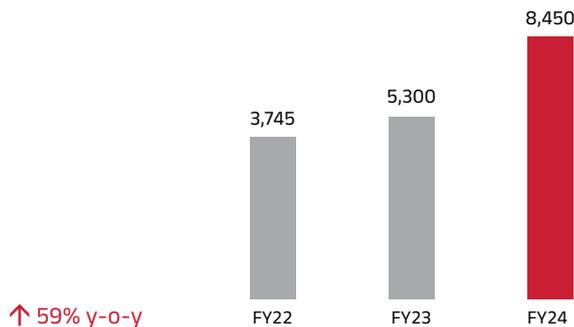
ABHFL's priority is to build a digital and analytics-backed retail housing franchise catering to the housing needs of salaried, self-employed and professionals running micro-businesses across Tier I suburbs, Tier II and Tier III cities with optimum credit quality. We currently service 64,900+ customers and our disbursements increased by 59% year-on-year to ₹ 8,450 Crore in FY24. We continue to focus on high quality at origination.



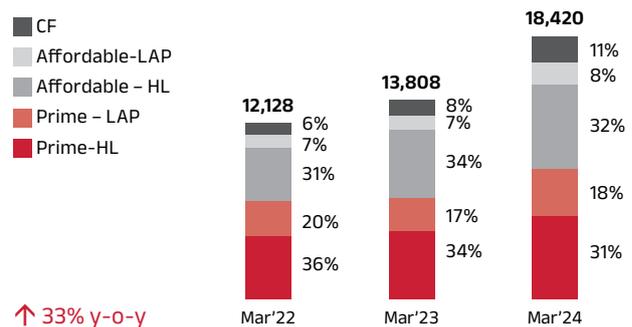
Management Discussion and Analysis (Contd.)

About 95% of retail disbursements were to customers with a CIBIL score of more than 700 and new-to-credit customers. ABHFL's portfolio grew by 33% year-on-year to ₹ 18,420 Crore as of 31st March, 2024 of which ₹ 11,717 Crore were towards housing loans, ₹ 4,754 Crore towards loan against property, and ₹ 1,949 Crore towards Developer Finance.

Momentum in disbursement (₹ Crore)



Growth in AUM (₹ Crore)



DISTRIBUTION

ABHFL has a presence in 19 states and union territories and 117 cities. A network of 135 branches servicing 8,143 pin codes covering ~85% of total origination opportunity. The analytics driven micro-market penetration strategy has helped scale business in top 10 cities by 65% in FY24. With the focus on scaling up retail business, it was imperative to create a sustainable distribution. We doubled our channel base in FY24 compared to FY23. We have extended our avenues of distribution for ABG Ecosystem to ABG Companies, Employees, and Distributors. The contribution of ABG and ABC ecosystem in retail disbursements increased from 7.2% in FY23 to 9.8% in FY24.

DIGITAL TRANSFORMATION

ABHFL embarked on a transformational journey with digital and analytics being the core drivers. Digital platforms and analytical models were developed based on customer life cycle (prospecting-fulfillment-servicing-collections).

'Finverse' was introduced that has digitised the entire lending process from prospecting to disbursement, providing customers with a seamless experience, faster turnaround of loan applications, greater transparency of loan status, and real-time updates.

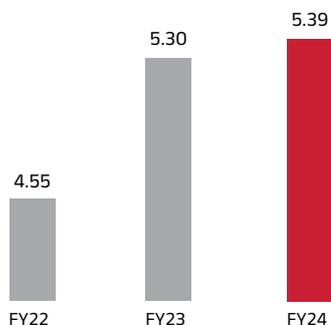
DATA ANALYTICS

We are leveraging data and analytics by committing to fortify processes and analytical capabilities to harness data effectively. Our focus is to strengthen our data-driven capabilities to diagnose, predict and decide the next best course of action for employees, management, and customers alike. Data marts were the bedrock of all the analytical models deployed and under development. 9 data marts and various analytical models across customer life cycle were deployed in FY24.

FINANCIAL PERFORMANCE

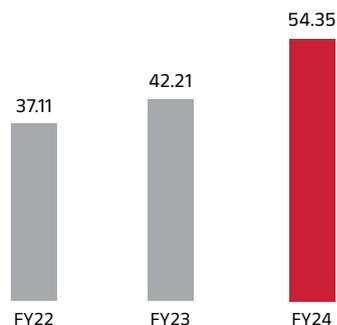
ABHFL continues to deliver strong core operating profit over the years. The net interest income¹ (including fee income, other income net of DSA expenses and processing cost) saw a 24% increase year-on-year to ₹ 815 Crore in FY24, backed by growth in all segments. The net interest margin (including fee income, other income net of DSA expenses and processing cost) increased by 9 basis points to 5.39% in FY24. We accelerated investments in digital, technology, analytics, manpower resulting in an operating expense to average loan book of 2.93% in FY24. Efficient collection management, improved resolution and bounce rate led to lowest credit cost, a decrease of 61 basis points year-on-year to -0.03% in FY24. Combined impact of above variables led to increase in profit after tax by 21% year-on-year to ₹ 291 Crore in FY24. The return on assets was 1.92% and return on equity increased by 71 basis points year-on-year to 13.87% in FY24.

Net Interest Margin¹ (%)

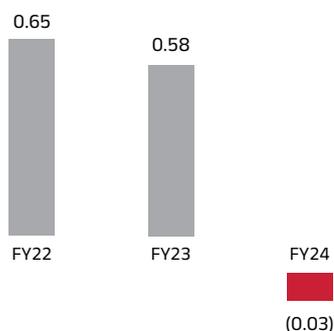


¹ including fee income, other income net of DSA expenses and processing cost

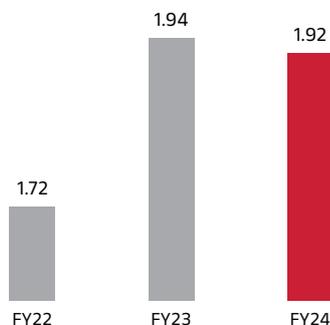
Cost to income ratio (%)



Credit Cost (%)



Return on Assets (%)



Portfolio quality

Gross stage 2 and 3 loans reduced by 208 bps year-on-year from 4.99% in March 2023 to 2.91% in March 2024. The provision coverage on gross stage 3 loans increased from 31.9% as on 31st March, 2023 to 33.0% as on 31st March, 2024. We launched

an end-to-end debt management platform called 'FinCollect'. It utilises analytics for effective debt management, including a pre-delinquency model for bounce prediction and a flow prediction model for the 30-89 days past due (DPD) pool.

Particulars	Mar'22		Mar'23		Mar'24	
	%	₹ Crore	%	₹ Crore	%	₹ Crore
Stage 1	91.25%	11,067	95.01%	13,120	97.09%	17,358
Stage 2	5.26%	638	1.76%	243	1.08%	194
Stage 3	3.49%	423	3.23%	446	1.82%	325
Stage 2 and 3	8.75%	1,061	4.99%	688	2.91%	519
Total	100.0%	12,128	100.0%	13,808	100.0%	17,877
Stage 3 PCR	31.1%		31.9%		33.0%	



Management Discussion and Analysis (Contd.)

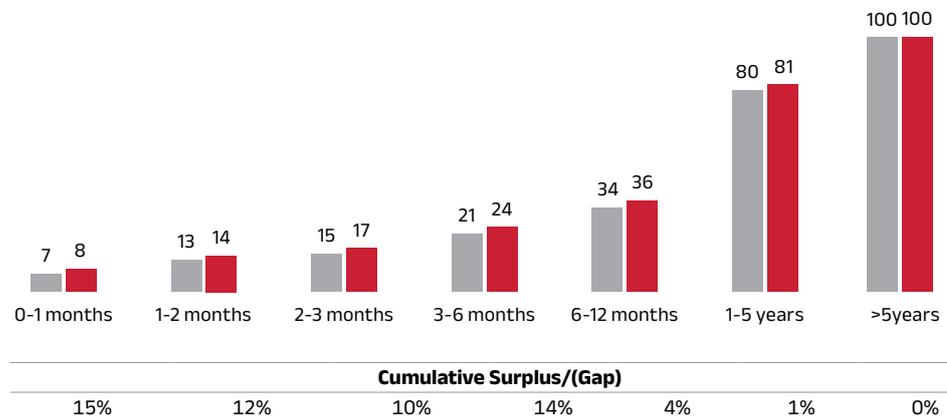
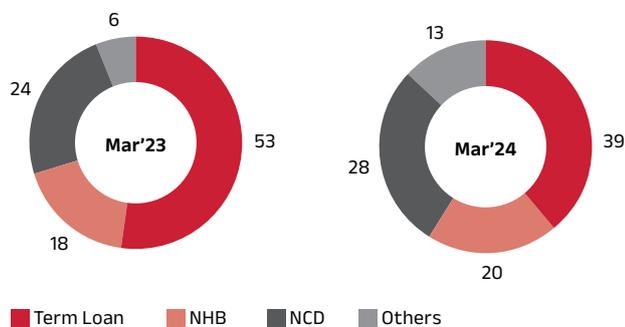
ALM and Liquidity management

ABHFL is well-positioned to meet its liquidity needs by maintaining a positive ALM. The below chart depicts the inflows and outflows for each of the buckets.

We have also maintained adequate liquidity in the form of unutilised bank credit line worth ₹ 2,581 Crore (average unutilised long-term loans of ₹ 2,036 Crore and working capital loans of ₹ 545 Crore).

ALM optimised for liquidity and costs (on Mar 31, 2024) (%)

■ Cumulative Outflows
■ Cumulative Inflows

**Borrowing Mix (%)**

ABHFL primarily sources funds from Banks in the form of term loans and cash credit/WCDL, NHB refinance borrowings, non-convertible debentures (NCDs) and commercial papers. The

NHB refinance borrowing mix increased to 20% in March 2024. During the year, we borrowed ₹3,492 Crore (which includes NHB refinance of ₹ 1,547 Crore). We also raised ₹ 2,205 Crore through private placement of secured NCDs.

Capital adequacy ratio (CAR)

The capital adequacy ratio as on 31st March, 2024 was 16.79%. The net worth of ABHFL grew by 15% year-on-year to ₹ 2,260 Crore as of 31st March, 2024.

Credit ratings

Long-term funding facilities of ABHFL are rated AAA (stable) and short-term funding facilities are rated A1+ (stable) by ICRA and India Ratings. These ratings depict the confidence that we have earned by our sound financial management and timely repayment of financial obligations.

OUTLOOK

ABHFL remains committed to implementing its strategy across diverse product lines and segments to stimulate and capitalise on the next growth phase.

Going forward, we will leverage the extended ABG and ABC ecosystems to accelerate growth in prime and affordable segments. We have made significant investments in hiring people and in improving our digital capabilities to enhance customer transacting experience and reduce turnaround time. We will build on these capabilities to further accelerate the growth in the portfolio going forward.

WAY FORWARD

Growth

- Accelerate growth in prime & affordable segments with average ticket size of ₹25-30 lakh
- Growth to be augmented by ABG ecosystem

Service excellence

- To be the most preferred choice of our customer
- Digital capabilities for seamless customer onboarding and servicing
- Building a culture of spotting opportunities with customers at centre

Digital reinvention

- Develop assisted/DIY customer journeys with Effective lead management
- Seamless distributor onboarding
- Significant reduction in TAT, increased face time with customers

Distribution network

- 135 branches as of Mar 31, 2024, covering ~85% of TAM
- Sourcing driven by micro market penetration strategy
- Deeper engagement with ABG ecosystem





Management Discussion and Analysis (Contd.)

KEY FINANCIALS

(₹ Crore)

Profit & Loss Statement	FY 22	FY 23	FY 24
Net Interest Income (Incl. fee income)¹	521	659	815
Operating Expenses	193	278	443
Operating Profit	328	381	372
Credit Provisioning	75	72	(5)
Profit Before Tax	253	309	376
Tax	56	68	86
Profit After Tax	197	241	291
Net Worth	1,721	1,968	2,260
Borrowings and Debt Securities	10,715	11,937	15,947

(in %)

Key Ratios	FY 22	FY 23	FY 24
Effective Interest Rate (EIR)	10.24	10.91	11.25
Net Interest cost/Avg. Loan book	5.92	5.84	6.52
Other Income/Avg. Loan book	0.23	0.23	0.65
Net Interest Income (Incl. fee income)	4.55	5.30	5.39
Opex/Avg. Loan book	1.69	2.24	2.93
Cost-to-Income Ratio	37.11	42.21	54.35
Credit Provisioning/Avg. Loan book	0.65	0.58	(0.03)
ROA	1.72	1.94	1.92
ROE	12.26	13.16	13.87
Debt-to-Equity	6.03	6.07	7.06
Capital Adequacy (CRAR)	23.94	21.58	16.79
Tier 1 Capital	19.44	18.01	14.66

1. NII including fee (net of DSA Expenses and Processing Cost)

ADITYA BIRLA SUNLIFE ASSET MANAGEMENT
COMPANY LIMITED (ASSET MANAGEMENT)

Since 1994, Aditya Birla Sun Life AMC Limited (ABSLAMC) has been one of India's leading asset management company. We offer customers a wide variety of investment solutions focused on regular income, wealth creation and tax savings, among others. ABSLAMC is the fifth-largest Asset Management Company (AMC) in India based on quarterly average AUM (excluding ETFs) as of 31st March, 2024.

INDUSTRY OVERVIEW

In FY24, the mutual fund industry witnessed significant growth in assets under management (AUM) due to the positive impact of mark-to-market and substantial inflows into various equity schemes. Net equity sales of ₹ 3.3 Lakh Crore were recorded in FY24 through new fund offerings and existing funds. Within the existing equity and hybrid categories, sectoral/thematic, arbitrage funds, small cap funds and multi asset allocation funds schemes saw the highest net inflows.

- The Industry's Average Assets under Management (AAUM) for the quarter ended on 31st March, 2024 reached ₹ 54.11 Lakh Crore, recording a growth of 34% over the same period last year.
- The Industry's Equity AAUM stood at ₹ 30.93 Lakh Crore for the quarter ended 31st March, 2024, up by 49% from the same period last year.
- The inflows to mutual funds via systematic investment plans (SIPs) have been on an upswing during the fiscal year 2024, rising from ₹ 14,276 Crore in March 2023 to ₹ 19,271 Crore in March 2024, reflecting a year-on-year increase of 35%.
- As of 31st March, 2024, the total number of mutual fund investors stood at around ₹ 18 Crore compared to around ₹ 14.76 Crore on 31st March, 2023, reflecting a year-on-year increase of 22%.

Management Discussion and Analysis (Contd.)

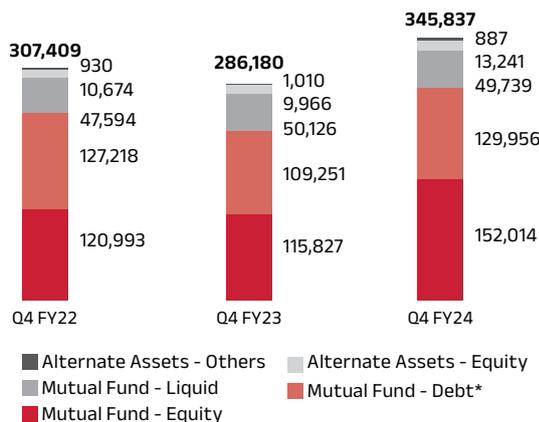
- The Individual investor Monthly Average AUM (MAAUM) surged to ₹ 33.31 Lakh Crore, growing by 43% year-on-year and contributing 61% of the total Monthly Average AUM.
- The mutual fund monthly average AUM for March 2024 from B30 cities was at ₹ 9.83 Lakh Crore, which accounted for 18% of the total AUM.

PERFORMANCE REVIEW

Business Performance

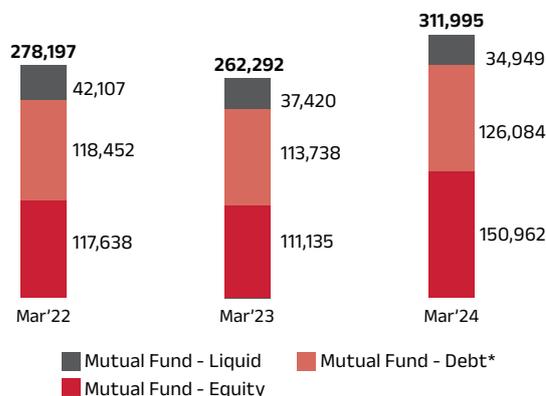
ABSLAMC achieved its highest-ever profit in FY24, with a profit after tax of ₹ 780 Crore growing 31% year-on-year. The overall Quarterly Average Assets under Management (QAAUM) as on 31st March, 2024 stood at ₹ 3,45,837 Crore, a growth of 21% year-on-year. Mutual fund QAAUM as on 31st March, 2024 stood at ₹ 3,31,709 Crore growing by 21% year on year, with market share (excluding ETF) of 6.9%. Mutual fund Equity QAAUM as on 31st March, 2024 was ₹ 1,52,014 Crore growing by 31% year on year, with a market share of 4.9%. The equity mix improved to 46% of the mutual fund QAAUM as compared to 42% in the previous year.

Total Average assets under management (₹ Crore)



* Mutual Fund Debt includes ETF

Closing Mutual Fund AUM (₹ Crore)

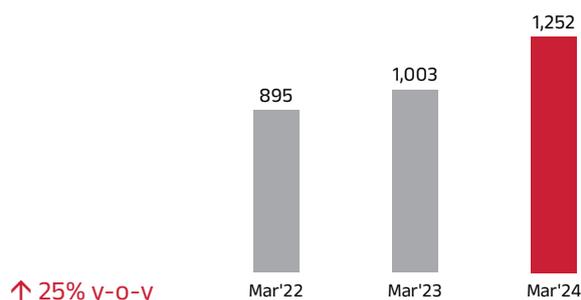


* Mutual Fund Debt includes ETF

SIP book

Systematic Investment Plans (SIPs) have become a preferred investment choice for retail investors. As a key player in the industry, ABSLAMC has undertaken initiatives to enhance traction in SIPs. Its constant endeavour is to build the SIP book size and ensure customer stickiness while creating long-term value for investors. As a result ABSL AMC's SIP and STP book reached ₹ 1,252 Crore in March 2024, marking a 25% increase from ₹ 1,003 Crore in March 2023.

Gross monthly SIP flows (₹ Crore)



↑ 25% y-o-y

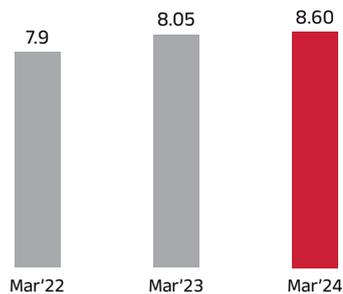


Management Discussion and Analysis (Contd.)

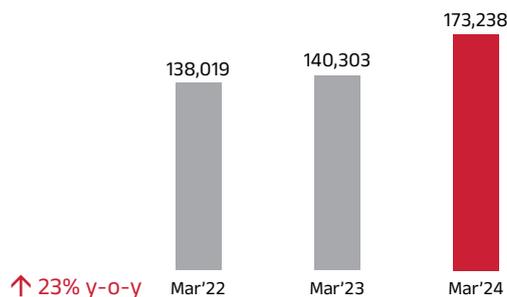
Customer acquisition

Customer acquisition continues to be a key focus area for ABSLAMC. It added approximately 1.1 Million new folios in FY24, bringing the total folios to 8.60 Million, as of 31st March, 2024.

No. of Folios (in Mn)



Individual MAAUM (₹ Crore)



Multi-Channel Distribution Network

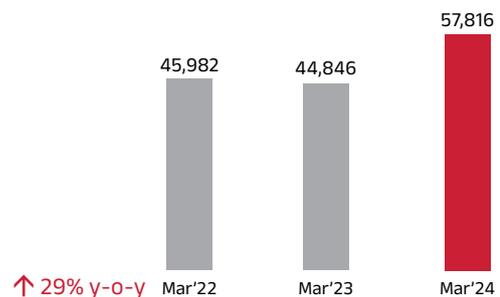
As part of the overall strategy, ABSLAMC focused on building the retail sales segment across T30 and B30 markets. It has been strengthening the multi-channel sales ecosystem and distribution network by integrating key levers of Direct Chanel, Emerging Markets, Virtual Relationship Manager, Service to Sales and Sampark. The multi-channel market initiatives, aimed at deepening our presence, have yielded positive results.

- Direct Channel aims to provide personalised attention and tailored solutions to meet the unique needs and preferences of high-net-worth clients, targeting increase presence beyond Top 8 locations across India.
- Emerging Markets aim to tap into potential rural and emerging markets at an early stage to build growth. It also aims at deepening product awareness through continuous engagement drives for investors and distributors.

Focus on B30 Markets

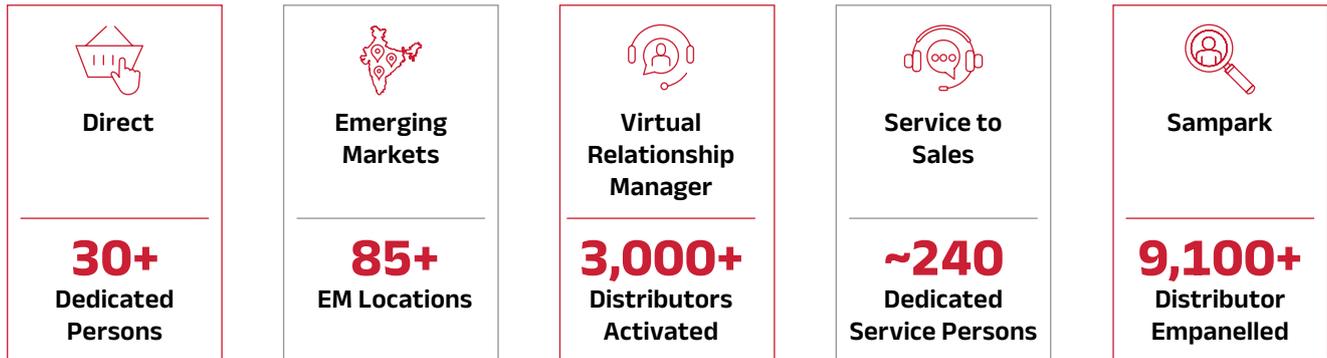
Over the last few years, ABSLAMC has dedicated its efforts to expanding the retail franchise and growing the geographical presence across B30 cities. It has expanded pan-India presence to over 290 locations, with more than 80% located in B30 cities. Individual MAAUM in March 2024 was ₹ 1,73,238 Crore, compared to ₹ 1,40,303 Crore in March 2023 growing by 23% year-on-year. The Institutional MAAUM size was ₹ 1,57,178 Crore in March 2024, up from ₹ 1,27,220 Crore in March 2023, showing a growth of 24% year-on-year. The B30 MAAUM reached ₹ 57,816 Crore in March 2024 compared to ₹ 44,846 Crore in March 2023 growing by 29% year-on-year

B-30 MAAUM (₹ Crore)



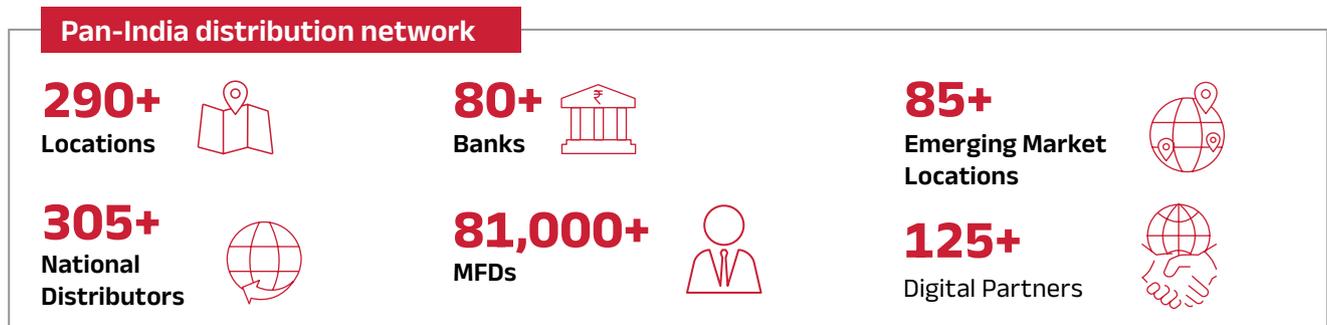
- Virtual Relationship Manager (VRM) enhances the new distributor experience through virtual assistance and guidance, focusing primarily on increasing activations, SIPs, and gross sales. It aims to upgrade Mutual Fund Distributors (MFDs) to high-potential business partners and integrate them into Retail Sales.
- Under Service to Sales model, Service RMs effectively engage with investors and facilitate their investment decision. They identify opportunities for win back, retention and upselling.
- 'Sampark', ABSLAMC's distribution expansion initiative, empanels and onboards new distributors. It follows a One-click, end-to-end digitally enabled distributor empanelment journey to make the process seamless

Management Discussion and Analysis (Contd.)

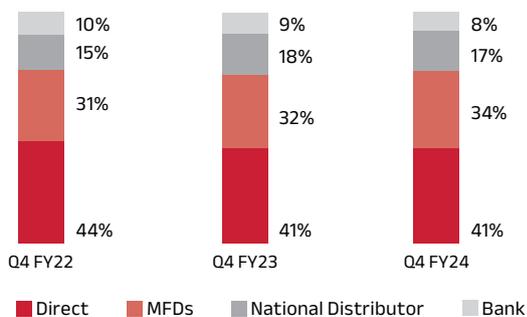


Distribution

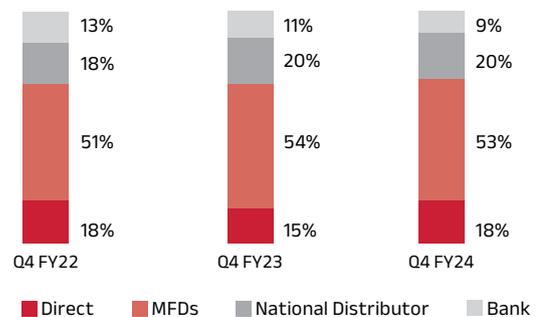
In FY24, ABSLAMC expanded its pan-India network of empanelled distributors to include 81,000+ KYD-compliant MFDs, 305+ national distributors, and 80+ banks. It continues to expand the distributor base and has empanelled 9,100+ new MFDs during the year.



Overall Asset Sourcing Mix¹



Broad Based Sourcing Equity Assets



¹Excluding ETF

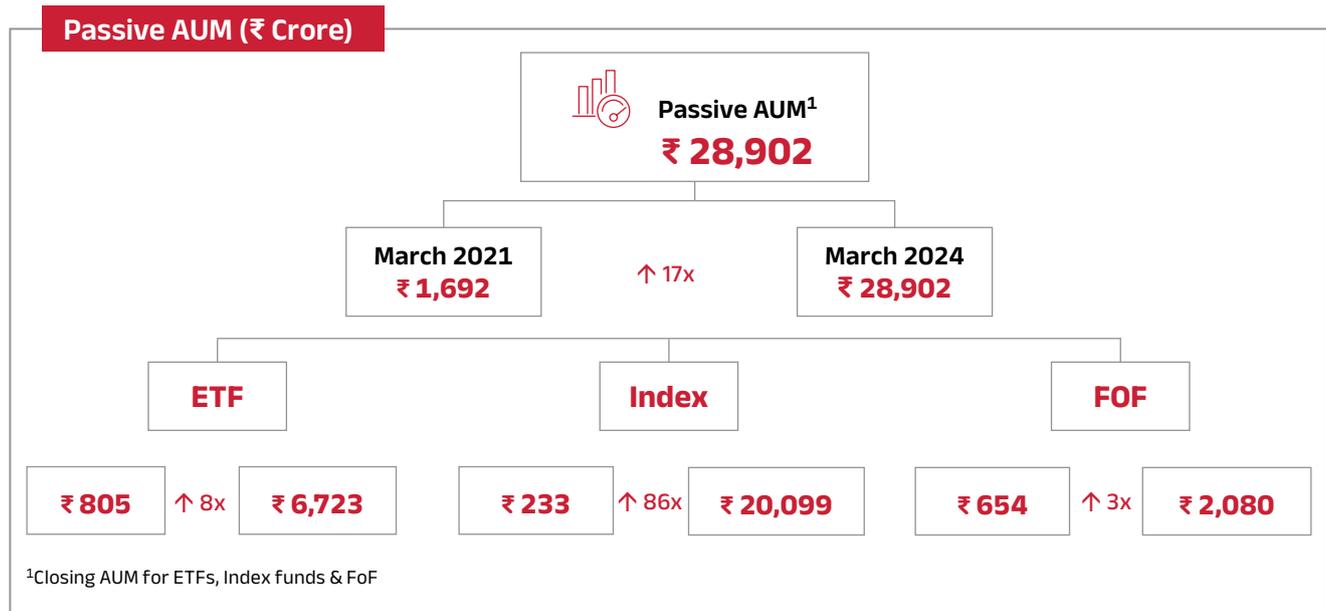


Management Discussion and Analysis (Contd.)

Passive and Alternate Assets Business

Passives

The passive product offering yielded positive results, with assets growing over 17 times from ₹ 1,692 Crore in March 2021 to ₹ 28,902 Crore in March 2024. ABSLAMC expanded its existing product suite to include 43 products. The customer base in this category has also grown to approx. 6,85,000 folios, increasing 7 times since March 2021. Additionally, it holds the top rank in the Index Debt category based on Average AUM for the quarter ending 31st March, 2024.



Alternate asset business

On the alternative business front, to meet the growing needs of HNIs and family offices, ABSLAMC has strengthened the team to enhance PMS and AIF offerings in both equity and fixed income. Currently, we offer over 13 products in PMS and AIF. We believe both equity and fixed Income AIF product offerings will further strengthen the Alternate Business vertical.

On the real estate front, the Aditya Birla Real Estate Credit Opportunities Fund (Cat II AIF) has been fully deployed across five investments and has successfully executed its first exit.

The GIFT City operation has gained momentum with the launch of a few products to invest in the overseas market under the LRS scheme. ABSLAMC has launched 'ABSL Global Emerging Equity Fund,' which strategically feeds into the 'ARGA Emerging Market Equity Fund,' enabling investors to access and benefit from emerging market opportunities.



QAAUM for the quarter ending 31st March, 2024

OUTLOOK

ABSLAMC has been a leading investment manager that has committedly worked towards achieving financial inclusion, deepening financial markets and developing the mutual funds industry. Our strategy remains rooted in our Customer-first ethos and our commitment to serve investors over the long term by providing holistic investment solutions and consistent investment performance. With a steadfast commitment to investor interests, our primary focus is on customer experience through a strong risk management and governance framework, research-backed fund management and technology-backed service delivery. This commitment has helped us to build our AUM size over the years, as well as develop a robust customer base. While these fundamental principles have enabled ABSLAMC to establish itself in the mutual fund space, they will also guide it towards accelerated growth in the alternative asset space.

WAY FORWARD

Scaling retail franchise and diversifying product offerings

- Create an ecosystem to support retail sales growth by leveraging the strength of multiple channels such as Virtual Relationship Manager (VRM), Emerging Market, Service to Sales, Direct Channel and Digital Sales.
- Grow and diversify product offerings using market research and innovation.
- Continue to build product portfolio by identifying pockets of product differentiation.
- Provide financial literacy to existing and next generation of investors and distributors and contribute to overall financial inclusion in the country.

Expanding geographic reach and strengthening multi-channel distribution network

- Continue to widen our geographic reach and investor folios by expanding our customer base in high potential and under-penetrated markets.
- Build deeper engagement and loyalty with distributors and customers, increasing wallet share and longevity.
- Build scale in the National distributors and banking channel including cooperative and PSU banks to leverage their extensive network.

Leveraging digital platforms to deliver better service

- Leverage digital platforms to increase customer acquisition and enhance customer experience.
- Execute strategic tie-ups and exclusive partnerships with fintech and new-age tech distributors. Leverage API-based Plug-n-Play onboarding solutions for fintech partners and cooperative banks.
- Focus on leveraging digital capability to provide seamless accessibility and the right experience to customers.

Building passives and alternative asset business

- Focus on scaling our alternate assets business including Alternate Investment Fund (AIF)/Portfolio Management Services (PMS), Real Estate and Offshore offerings.
- Leverage our presence in GIFT City to launch new funds and expand our offerings.
- Focus on growing our passive business through strategic tie-ups with existing and new partners, and digital platforms.
- Emphasise on Smart Beta (alternate weighting) passive strategies through Exchange Traded Funds (ETFs), Fund of Funds (FoFs), and Index Funds.



Management Discussion and Analysis (Contd.)

KEY FINANCIALS

(₹ Crore)

Profit & Loss Statement	FY22	FY23	FY24
Revenue from Operations	1,293	1,227	1,353
Costs	514	560	632
Operating Profit	779	667	721
Other Income	116	127	287
Profit before tax	895	794	1,008
Tax	222	197	228
Profit after tax	673	596	780

Avg. assets under management	FY22	FY23	FY24
Mutual fund AAUM	2,92,578	2,80,257	3,12,764
Mutual fund equity AAUM	1,15,446	1,17,947	1,34,206
Alternate assets equity AAUM	10,537	10,106	11,919
Total equity AAUM	1,25,983	1,28,054	1,46,125

ADITYA BIRLA SUN LIFE INSURANCE (ABSLI)

Aditya Birla Sun Life Insurance Company Limited (ABSLI) is a 51:49 joint venture between the Aditya Birla Group and Sun Life Financial Inc., Canada. ABSLI has contributed immensely to the growth and development of the Indian life insurance industry and is currently one of India's leading private life insurance companies. ABSLI offers a range of products across the customer's lifecycle, including children future plans, wealth protection plans, retirement and pension solutions, health plans, traditional term plans and unit-linked insurance plans (ULIPs).

INDUSTRY OVERVIEW

In the post-COVID-19 world, life insurance has gained prominence. Insurance not only acts as a cushion against an unfortunate circumstance, but it is also considered a traditional tax-saving instrument. The pandemic has led to an upswing in people opting for insurance, with a lot of movement observed in the health and general insurance space, and the life insurance space also evolving.

Protecting employees, securing gratuity, and offering other employee-related termination benefits have been a key-drivers

for demand of group life insurance and have also led to the increase in market share of private players in this space.

During FY24, the individual first year premium for the life insurance industry grew by 5% year-on-year to ₹ 1.09 Lakh Crore. Within this, the private players grew by 8% year-on-year.

During FY24, the group first year premium for the life insurance industry grew by 1% year-on-year to ₹ 2.28 Lakh Crore. Within this, the private players grew by 20% year-on-year.

PERFORMANCE OVERVIEW

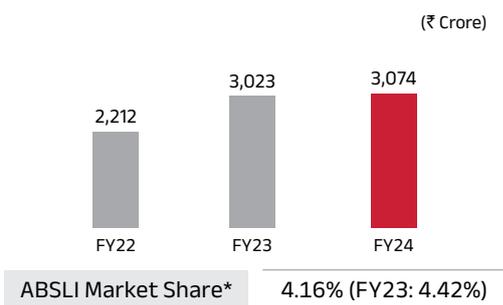
Premium growth

Individual first year premium grew by 2% year-on-year to ₹ 3,074 Crore in FY24. The group new business premium grew by 9% year-on-year to ₹ 4,554 Crore in FY24. The growth in group new business Gross premium was on account of the fund-based group business and credit life products. Total premium (including renewal premium) grew by 15% year-on-year to ₹ 17,260 Crore in FY24.

Management Discussion and Analysis (Contd.)

Individual FYP (Single Premium at 10%)

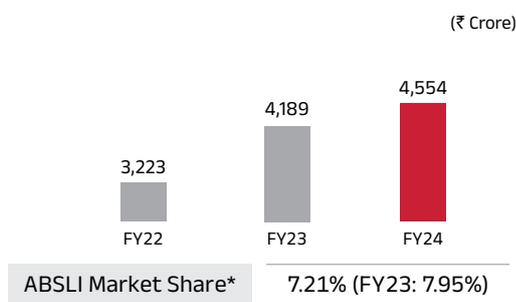
	ABSLI	Private Players	Industry
Y-o-Y Growth	↑ 2%	↑ 8%	↑ 5%



* Market share among private players
Source: lifeinscouncil.org

Group FYP (Single Premium at 100%)

	ABSLI	Private Players	Industry
Y-o-Y Growth	↑ 9%	↑ 20%	↑ 1%



* Market share among private players.
Source: lifeinscouncil.org

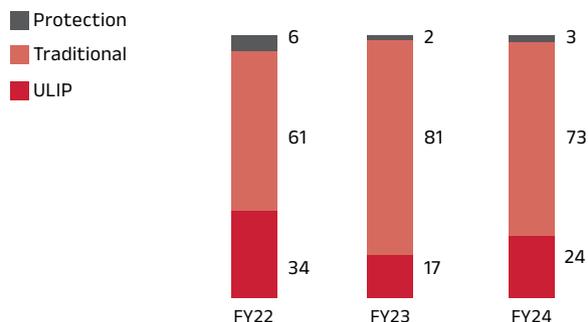
Product mix and prudent risk management

ABSLI continues to have a diversified product portfolio. A diversified product strategy helps in safeguarding against capital market volatility, regulatory changes and changes in

customer behaviour. We have positioned our products based on the unique features and benefits they offer to customers. During the year, ABSLI has endeavoured to maintain a balanced mix while controlling the contribution of ULIPs. However, in line with the private industry, there has been a shift in the ULIP mix in FY24 on account of the impact of taxation of high-ticket non-linked products and buoyant capital markets.

In FY24, ABSLI launched 4 products with 2 one-of-a-kind products in the protection and the unit-linked space. The new products are likely to generate good traction. The focus on increasing protection mix is consistent with the protection mix in proprietary channels at 5%. All term policies are 100% medically underwritten to ensure the quality of business undertaken. Moreover, to protect policyholders' guaranteed benefits in low-interest rate scenarios, ABSLI has entered into forward rate agreements (FRA) to protect 100% expected maturity and survival benefits.

Product mix (%)



Diversified and scaled up distribution mix

ABSLI continues to have an expansive and distributed sales network across the country, including own and partner branches. This approach allows us to reach any part of the country, and we are committed to widening our footprint by investing in proprietary channels and adding more partners. We continue to invest in higher capacity in our proprietary channels and other partners. ABSLI tied up with Axis Bank, IDFC FIRST Bank and Bank of Maharashtra during FY24. Sourcing from Bank of Maharashtra and IDFC FIRST Bank started in FY24, and we are in the process of scaling up business volume with these channels.



Management Discussion and Analysis (Contd.)

**60K+**

Individual agents

**360+**

Own branches

**11**

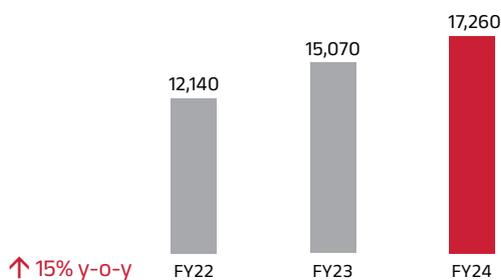
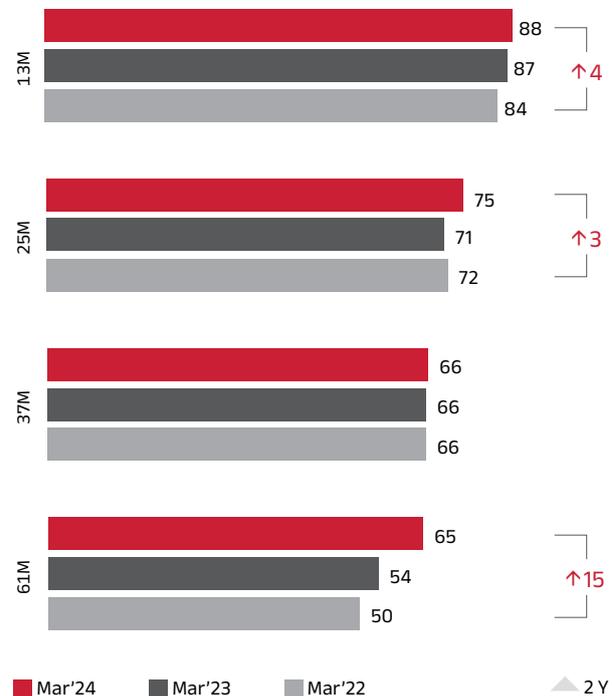
Banca tie-ups

**21,000+**

Bank branches

Renewal premium and persistency

Renewal premium grew by 24% year-on-year to ₹ 9,160 Crore in FY24. The growth was on account of higher new business growth in the previous year, improved persistency, and continuous demonstration of the customer's trust. 13th month persistency grew to 88% in FY24 (FY23: 87%), 25th month to 75% (FY23: 71%) and 61st month persistency to 65% (FY23: 54%). Renewal premium collection by Bot (ZARA) grew by 10% year-on-year ₹ 731 Crore in FY24.

Total Premium (₹ Crore)**Persistency¹****Improving Persistency across all cohorts (%)**¹ 12month rolling block as per revised IRDAI Circular**Digital adoption**

Higher digital adoption by customers and distributors requires insurers to develop robust technological capabilities and highly efficient platforms powered by analytics, automation, and artificial intelligence. This will address customers' expectations of personalised and improved service experiences. The seamless integration of these platforms and processes with the partners' systems is necessary.

ABSLI has digitised its front-end and back-end processes, covering all the major milestones of the policy lifecycle. We are consistently investing in assets which would enable us to issue policies instantly. It features customer acquisition assets like pre-sales app for lead generation management, prospective app sales buddy for assisting advisors, platform for managing new business digitally, among others. We have also automated AI-driven underwriting system, which enables us to auto underwrite policies and acts as an aid to intelligence for acquiring

Management Discussion and Analysis (Contd.)

new risk consciously. Pre-approved sum assured (PASA) contributes 29% of individual first year premium in FY24. We also have a new claims processing system targeted towards auto claim clearance thereby reducing TATs and increasing customer satisfaction.

Customer Onboarding	100%	Digital Renewal ²	80%	Customer Self Servicing	91%	Pre-Approved New Business	29%
Customer Experience <ul style="list-style-type: none"> • 100% New business processed digitally • 67% adoption for Contactless Digital Verification (Insta - verify) for customers • 49.4% of total application were Auto underwritten 		Customer Retention <ul style="list-style-type: none"> • Digital collection at 80%, growth of 3.2% y-o-y • 90% Auto pay adoption at onboarding stage • ZARA (Bot) collected ~ ₹731 Crore 		Customer Centricity <ul style="list-style-type: none"> • WhatsApp & Chatbot contributed 22% in FY24 • 83% services available digitally and customer portal contributes to 67% of the overall transactions • Digital Adoption share of 91% 		Pre-Purchase <ul style="list-style-type: none"> • PASA¹ contributed 29% of FY 24 (FY23 - 25%) • 1.16 Crore presentations Created (+33% over Mar'23) & 5.8 lakh Marketing Content Shared (-10% over Mar'23) • Monthly Average Users: 31,200 (+22% over Mar'23) & Daily Average Users: 7,200 (+29% over Mar'23) 	

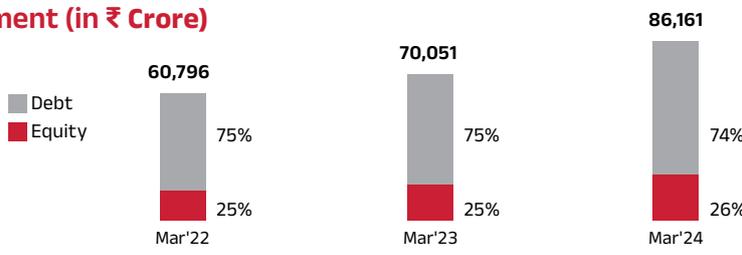
¹ Pre-approved sum assured

² Individual Renewal only

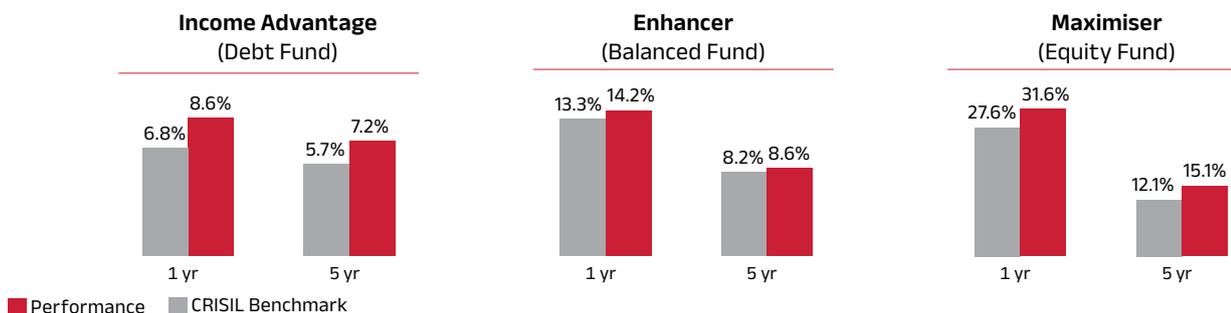
Strong investment process

The total assets under management of ABSLI grew by 23% year-on-year to ₹ 86,161 Crore in as of 31st March, 2024. About 95% of debt investments are either AAA rated or sovereign instruments. The 1-year and 5-year returns across various fund categories continue to be higher than respective benchmarks.

Asset Under Management (in ₹ Crore)



Investment Performance¹



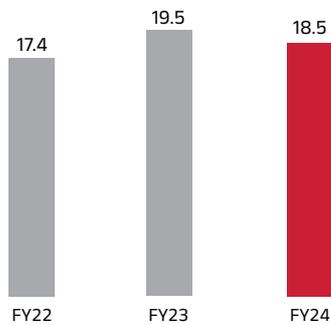
¹ Top Funds in respective category



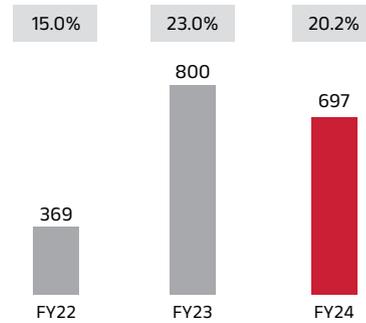
Management Discussion and Analysis (Contd.)

Profitability and value

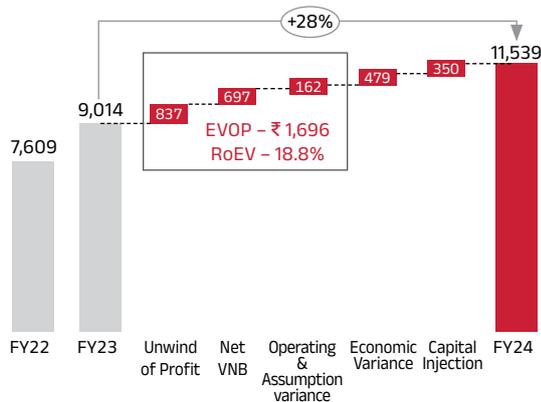
The operating expenses-to-premium ratio declined from 19.5% in FY23 to 18.5% in FY24. The net VNB margins declined from 23% in FY23 to 20.2% in FY24 due to decrease in G Sec rates in Q4 FY24, higher proportion of ULIPs in the product mix, partly offset by improvement in cost efficiency. The value of new business was ₹ 697 Crore in FY24. On the back of strong quality of in force book, embedded value (EV) increased by 28% year-on-year to ₹ 11,539 Crore as of 31st March, 2024. The return on Embedded Value (RoEV) was 18.8% in FY24. Profit before tax was ₹ 198 Crore in FY24.

Opex Ratio¹ (%)

¹ Opex to Total Premium

VNB¹ (₹ Crore)

¹ Individual + Group Risk

Embedded Value¹ (₹ Crore)

¹ Numbers are peer reviewed

The methodology, assumptions, and the results of base EV and VoNB have been reviewed by Willis Towers Watson Actuarial Advisory LLP.

OUTLOOK

The guiding lines for the future have been growth, long-term value accretion and stable statutory profit. We have identified and implemented a well-thought-out action plan and is actively monitoring all risk areas. We would continue to strengthen our competitive and financial position by focusing on following strategic priorities.

WAY FORWARD

Grow business at a CAGR of more than 20%

- Individual First Year Premium in next three years to be ~2x of FY24
- Grow in scale to acquire more customers
- Enhance mindshare in banca business with capacity investments in banks to oversee more branches
- The three new banca partnerships (Axis Bank, IDFC FIRST Bank and Bank of Maharashtra) will likely contribute 10%-15% of the topline in FY25
- Expand value-accretive credit life business with acquisition of new relationships
- Investment in new channels: direct, cross sales, service to sales, PASA and upsell
- Focus on digital services enablement and strong back-end focus on customer acquisition through mass products

Focus on customers

- Leverage ABC cross-sell set up and increase products sold per customer
- Invest in service-to-sales (S2S) model for upsell to existing loyal customers
- Digital value chain focused on customers and distributors
- Enhanced customer insights and higher customer lifetime value
- Active engagement with customers to improve stickiness
- Ease of service with 'anywhere' servicing
- Focus on digital payments

2x increase in absolute net VNB in three years

- VNB margins to settle around 18%-20%
- Improve efficiencies in costs through better management of fixed costs
- Better product mix through focused improvement in protection business
- Product innovation to continue while adhering to a robust risk management approach

KEY FINANCIALS

	(₹ Crore)		
	FY22	FY23	FY24
Profit & Loss Statement			
Individual First year Premium¹	2,442	3,484	3,546
Group First year Premium	3,223	4,189	4,554
Renewal Premium	6,475	7,397	9,160
Total Gross Premium	12,140	15,070	17,260
Operating expenses (Incl. Commission)	2,117	2,940	3,191
Profit Before Tax²	175	196	198
Profit After Tax²	117	129	132
			(in %)
Key Ratios	FY22	FY 23	FY24
Opex to Premium (Incl. Commission)	17.4%	19.5%	18.5%
Solvency Ratio	188%	173%	178%

¹ FYP@100%

² Consolidated nos (as per Ind AS), including Aditya Birla Sun Life Pension Management Company Limited



Management Discussion and Analysis (Contd.)

ADITYA BIRLA HEALTH INSURANCE CO. LIMITED (HEALTH INSURANCE)

Aditya Birla Health Insurance (ABHI) is a Standalone Health Insurance player (SAHI). It was incorporated in 2015 and commenced operations in October 2016. ABCL, MMI Strategic Investments and Abu Dhabi Investment Authority hold 45.89%, 44.08% and 10.01% stake in ABHI, respectively. ABHI is one of the fastest-growing SAHI player in FY24. It is driven by its 'Health First' business model, backed by a strong brand and differentiated product offerings is well placed to capitalise on the growth opportunity in the health insurance space.

INDUSTRY OVERVIEW

Industry performance

Industry performance Health insurance continues to be one of the fastest-growing segments among various general insurance segments. In the health insurance space, the gross written premium (GWP) of SAHI players grew by 26.2% year-on-year and they had a market share of 28.4% in FY24. The industry health premiums have posted a three-year CAGR of 22% with SAHI's growing with a CAGR of 28%. The Indian health insurance penetration continues to be low and provides ample opportunity for growth. The government's focus for mission of 'Insurance for all by 2047' and its transition from a provider of services to funder of services is expected to give further fillip to the health insurance industry. The growth momentum is likely to be accelerated by innovation in digital, technology, and product development and the increased adoption of these advancements. The global health crisis highlighted the importance of health insurance, potentially setting the sector on a faster growth path.

Industry structure

The health insurance industry continues to attract newer insurance players with many players having approached the regulator for licenses. In FY24, the regulator has given licenses to 2 new health insurance players. The industry now has a total of 32 players comprising 4 PSU insurers, 21 Private multi-line players and 7 standalone health insurers (SAHI). PSU insurers continue to cede market share with overall share at 37% in FY24 vs 48% in FY19. The share of

private multi-line players has increased from 30% in FY19 to 34% in FY24 and 22% in FY19 to 28% in FY24 for SAHI players.

Health insurance has three broad customer segments namely: 1) group segment for corporates forms 47% of the market which is dominated by PSU insurers; 2) retail segment (44% of the market) has seen relatively higher growth and 3) government segment forms around 9% of the industry.

PERFORMANCE REVIEW

Business performance

ABHI continues to be one of the fastest-growing health insurance company. Its total GWP grew by 36% year-on-year to ₹ 3,701 Crore in FY24. Retail business grew by 26% and contributed to 52% of the total GWP in FY24. Over a 3-year period, ABHI has delivered a CAGR of 42% in GWP compared to SAHI Industry at 28%. In FY24, ABHI's market share stood at 11.2% (vs. 10.4% in FY23) (among standalone health insurers).

The value proposition of ABHI has always been geared away from traditional insurance. The data led customer understanding has enabled products with benefits of Embedded Wellness and Health Management programme. The model is an epitome of incorporating our ABHI purpose of "Empowering people to lead healthier lives". The differentiated Health First model is structured around the pillars of (1) Know Your Health (2) Improve Your Health and (3) Get Rewarded

The proof of concept of the model continues to be demonstrated at intervened cohorts. It is now becoming imperative that the model is expanded at scale to lead to distinguishable outcomes regarding top line and bottom line. Our data-first model enables access to hitherto large pools of customer data inaccessible to other companies. This advantage has significantly increased our analytical capabilities and enabled multi-fold scale up of the Health First proposition. To enable seamless and hyper personalised customer data, we have launched a digital health assessment (DHA) for our customers. The DHA facility has been duly integrated on the Activ Health app. We undertook more than 86,000 DHAs in FY24. This is in addition to about 170,000 health assessments completed during the year. The total number of Well-Being score for customers has increased to over 15,00,000. In an endeavour to track customer health, ABHI tracks over 1,200 Crore customer steps monthly on the Activ Health app

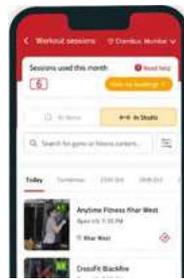
Scale up of Differentiated Health First Model

Know your health



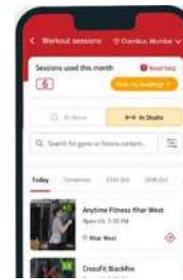
1.7L+ HA
86K+ DHA
15L+ WBS

Improve your health



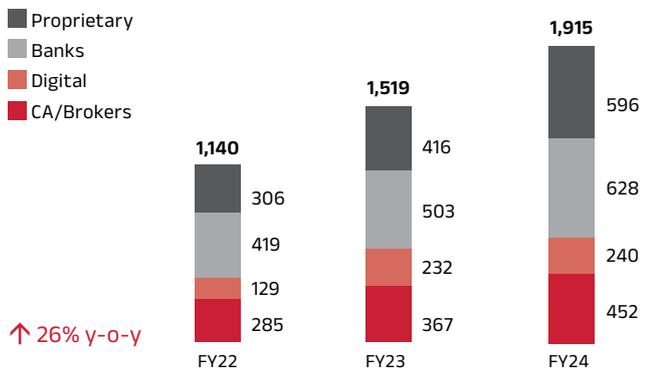
12bn+ Steps on App
1.2 Lakh+ High Risk customers intervened

Get Rewarded



5.0 lac+ Regular monthly engagements

Retail GWP (₹ Crore)



	FY23	FY24
Cities	4,800+	5,000+
Branches	200+	225+
Agents	85k+	110k+
Sales force	4,500+	5,500+

Despite being a new entrant, we have driven accelerated growth in distribution channels, comparable to industry in several elements of distribution channel. Our long-term goal is to increase the share of proprietary channels. We have a presence across more than 225 branch locations and access to more than 110,000 agents.

This focus and investments have yielded rich dividends. The proprietary channel has witnessed a 43% year-on-year growth in FY24 and contributes 31% of retail GWP. We have distribution tie-ups with 14 private banks and 4 PSU banks. We focus on augmenting capacity by acquiring new relationships. During the year, we gained access to 1 PSU bank, i.e. India Post Payments Bank.

ABHI continues to focus on PSU bancassurance. The digital channel had an encouraging response at the beginning of the year. ABHI is at the forefront in the Byte and contextual products space with tie-ups across unique distribution platforms. The operating model of digital channels is undergoing continuous changes given the regulatory environment around insurance, and banking.

The group business recorded a growth of 49% with GWP increasing from ₹ 1,198 Crore in FY23 to ₹ 1,786 Crore in FY24. In the group segment, we will focus on a value- accretive business through a well-defined client segmentation, diversified product mix and cross sell/up sell strategy.



Management Discussion and Analysis (Contd.)

PRODUCT PERFORMANCE

New product - ActivOne

INTRODUCING



A health insurance plan that puts your health first.

**100% Health.
100% Health Insurance.
#ABHIkaro**

Comprehensive Product to cater multiple customer segments

Variant	Customer Segment
MAX	Mass Market
NXT	Digital Savvy
VYTL	Chronic Care (7 Conditions)
VIP	HNI Foreign Travel (Emergency)
VIP +	HNI Foreign Travel (Emergency)
MAX +	Mass Product with higher benefits

Key Highlights from extensive Marketing campaign Large Retail Share



Large Retail Share
Of GWP achieved in 5 months of launch



150 Mn+
Total Reach from marketing campaigns across media. Digital. Print, OTT, TV commercials, etc.



Fastest Product
Fastest to clock 50K+ Policies in ABHI

In the past eight years, ABHI has continued to lead in product innovation, extending offerings to cater to senior citizens, millennials, and women, with a growing focus on holistic well-being, including mental health and nutrition. The chronic management programme, a first-of-its-kind initiative, has set a new standard. To address hesitancy among some consumers in buying health insurance, ABHI has created contextual byte-sized offerings at an affordable cost. ABHI pioneered two benefits in its product suite: Incentivised wellness and Health Management programme. These two benefits are structured on the three pillars of 'know your health', 'improve your health', and 'get rewarded'.

The incentivised wellness benefit provides a unique 'HealthReturns' feature to reward customers for making healthy lifestyle choices, through an industry and a global first initiative, it gives them the opportunity to get up to 100% of their premium back. Today, ABHI has a comprehensive bouquet of retail and group products, providing tailored and customised offerings to consumers.

We launched our latest offering Activ One in November 2023. The new product is a transformative offering providing for large number of benefits including personalised coverage, 100% HealthReturns™, and no sub-limits. The new product seeks to

empower customers with tailor-made solutions that go beyond mere coverage. The product has been launched with 7 variants considering multiple identified white spaces. The new product Activ One has been received well with the new product now accounting for a significant mix of the retail premium following its launch in November 2023. We will continue to focus on identified customer segments around:

- The young and the health-conscious
- People with lifestyle diseases who have been typically denied insurance benefits
- Products for the salaried segment

Most of our products continue to be top-ranked in their respective categories and continue to be cognizant of the fact that our offerings have become an industry norm, adopted both by competitors and the regulators.

DIGITAL, DATA AND ANALYTICS

ABHI's digital assets suite includes an industry-first multilingual app, an industry-first WhatsApp for customer journeys, bots, and the traditional website. The principles and culture around which the entire digital edifice has been constructed include agility, scalability, security, modularity, and cloud agnostic.

Management Discussion and Analysis (Contd.)

The app's freemium version is extended for customer acquisition using innovative customer engagement strategies, tie ups with health-based partners. There are more than 40 features live on Activ Health app. The app has already garnered a user base of more than 5 lakh users, with more than 2.2 Million downloads. The app is a state of the art with simplified customer journeys

which apart from accessing policy information, renewal management, self-servicing our customers are actively engaging in aspects like Health and Nutrition, Wellness Scores and Health Management. The Activ Health app is the customer touchpoint across acquisition, renewal management, servicing, and health management. The key focus areas for the app include:

Digital Acquisition - Fresh and Renewals	Self Servicing	Expand Health Ecosystem
<ul style="list-style-type: none"> Experience on Digital Assets: Intuitive simple & short purchase journeys Right Product: Personalised Curated products Renewal management: Propensity-based personalised customer nudges and engagements 	<ul style="list-style-type: none"> Simple & Convenient: Simple & intuitive journeys Engagement: Gamification, leaderboard, challenges and quests Processes: Availability of large number of services on the self service mode. 	<ul style="list-style-type: none"> Smart Health Devices: Direct integration with health devices Healthcare Platforms: Expand ecosystem with partnership tie-ups Wellness Programmes: Curated and relevant wellness programme with instant gratification

98% of our consumers are onboarded digitally, 93% of our services are available on the app and 86% of them are being served digitally.

As a new-age business born amid big data, ABHI has integrated analytics into each aspect of business. Data capabilities include the ability to analyse both structured and unstructured data. We have implemented data lake with capabilities of managing and analysing both structured and unstructured data from multiple sources. There exist strong in-house capabilities around data analytics, artificial intelligence, machine learning,

and natural language processing. Moreover, ABHI is constantly evaluating and investing in data capabilities.

ABHI's agile decision-making process requires reliable and relevant data. The endeavour is to standardise, integrate and process data into a data mine. This will create one version of truth and empower users with meaningful data insights supporting effective decision-making. We focus on new data analytics use cases in addition to (1) fraud waste and abuse models for claims management (2) AI-based underwriting (3) AI-based claims adjudication (4) expanding health returns ecosystem.

Data Engineering	Data Science (Key Projects)	
<p>Data Lake Hub</p> <p>Data Lake EDW Data Catalog Data Lineage BI tool - NLP ML Model</p>	<p>AI/ML based Claim Adjudication</p> <ul style="list-style-type: none"> Gone live in April'24 Provider Tariff digitisation AI/ML based claims processing linked to clinical protocols Improve FWA models for unstructured data Key benefits to accrue in Claim Cost, CX and Cost of operations 	<p>Other Key Projects</p> <ul style="list-style-type: none">  Revenue Focus 1.6x uplift in lead based cross-sell vis-à-vis last FY  FWA Model 2.1x fraud savings from refined model  Call Centre Forecast Model Led to 25% cost reduction
<p>Data Governance</p> <p>MDM Data Security Data Standardization Data Stewardship Roles & Responsibilities</p>		
<p>Data Literacy</p> <p>Dashboard Monthly Training Dashboard Usage Last Mile Data Access</p>		
<p>User Empowerment</p> <p>Real Time Dashboard Self Servicing BI Insights through NLP</p>		

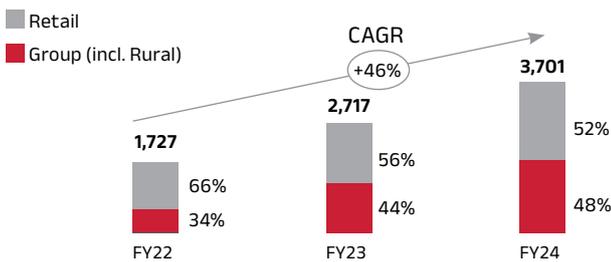


Management Discussion and Analysis (Contd.)

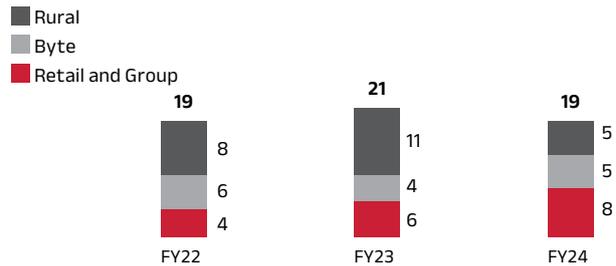
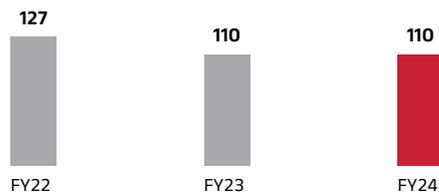
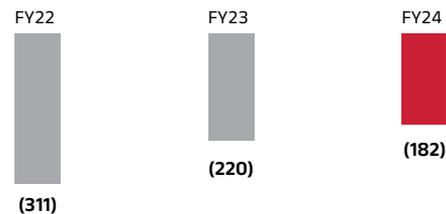
Financial performance

We are one of the fastest-growing health insurance companies with a total GWP of ₹ 3,701 Crore in FY24 growing by 36% year-on-year, covering 19 Million lives. The retail business grew by 26% year-on-year and contributed to 52% of total GWP in FY24. Over a three-year period, we have delivered a CAGR of 42% in GWP compared to the 28% CAGR of the SAHI industry.

Revenue (₹ Crore)



Lives covered (Mn)

Combined Ratio¹ (%)Profit Before Tax² (₹ Crore)

¹Combined ratio as per reported financials

²As Per IND AS

We have always recognised expense management and cost efficiency as a key driver of profitable growth. Operating expenses (excl. commission) as a percentage of total gross written premium was 21% in FY24 compared to 32% in FY23. We are continuously reviewing our operating model to optimise costs and improve expense ratios, by increasing productivity and performing a strategic review of the value chain including claims, provider management and technology.

Claims incurred (net of reinsurance) are the total claims incurred during the year including paid, outstanding, and incurred but not

reported reserves (IBNR). During the year, we experienced retail claims in line with industry experience. Our claim interventions include price increases, underwriting interventions, sales sourcing restrictions, enhanced outlier management and increased fraud waste and abuse for providers. The claims are expected to stabilise in the medium term.

Our net loss reduced from ₹ 220 Crore in FY23 to ₹ 182 Crore in FY24. While the net losses reduced in FY24, the combined ratio was 110% in FY24, at a similar level compared to FY23, given the business seasonality.

OUTLOOK

Initiatives around customer management and customer experience

Consumer experience is the cornerstone of our service model. The 'Promise of Insurance' revolves around providing support during the crucial 'Moment of Truth' when customers face challenging health situations.

ABHI continues to invest in customer and distribution digital assets which are core to our operations. Data analytics and a deep understanding of the customer's health enables us to transform customer data into meaningful insights.

Claims management

We continue to deliver on our promise of insurance. We have one of the industry's best claim settlement ratio at 96%. ABHI has been successful in creating one of industry's largest provider network of about 11,000 hospitals in addition to the cashless anywhere feature to provide a superior claims experience.

We continuously review our sourcing guidelines to optimise sourcing risk. Based on medical inflation, we have reviewed our product pricing strategy and has affected market linked price increases in product prices. The focus is on the right product with the right features and the appropriate sum insured. On the provider front, our ABHI's focus is on improving cashless ratios, provider rate negotiations and tariff penetrations across the network. Fraud waste abuse management also continues to be an integral part of the claims management strategy.

We continue to focus on sustainable growth and have a stable and positive outlook with ABHI consistently growing higher than the industry.

KEY FINANCIALS

(₹ in Crore)

Profit & Loss statement	FY22	FY23	FY24
Retail Premium	1,140	1,519	1,915
Group Premium (incl. Rural)	587	1,198	1,786
Gross Written Premium	1,727	2,717	3,701
Revenue (IND AS)	1,631	2,566	3,450
Operating expenses (including claims) (IND AS)	1,942	2,786	3,632
Profit before tax (IND AS)	(311)	(220)	(182)

WAY FORWARD

Differentiated Health First approach

- Attract young and healthy customer target segment
- Incentivise customers for healthy behaviour
- Data-driven approach for superior customer understanding

Diversified Distribution

- Diversified Distribution with growth focus on Proprietary Business
- Invest in existing Bancassurance partnerships and acquire relevant bank partnerships
- Grow non-traditional distribution segments

Digital Capabilities

- Digitally-enabled Distribution with deep partner integrations
- Customer-facing assets for superior customer experience

Data & Analytics

- Analytics based capabilities for revenue generation, including PASA, Cross Sell and Persistency models
- Fraud, Waste & Abuse model with advanced analytical tools
- Newer applications for both structured and unstructured data



Management Discussion and Analysis (Contd.)

ADITYA BIRLA MONEY LIMITED (STOCKS & SECURITIES)

Aditya Birla Money Limited (ABML) is a one-stop shop for customers for their entire investment and trading needs. ABML offer a full range of services relating to investment in stocks, mutual funds, IPOs, SGBs, PMS, among others and trading in equity, commodity and currency derivatives. The product and service innovations enable differentiated experiences for customers.

INDUSTRY OVERVIEW

After a flattish FY23, the Indian stock market boomed in FY24 despite concerns of high inflation and global geopolitical issues. For FY24, Nifty increased by 29% while midcap index was up 60% and small cap index jumped by 70%. The outperformance was led by strong buying from both FIIs (foreign institutional investors) and DIIs (domestic institutional investors). FIIs and DIIs were net buyers to the tune of ₹ 2.0 Lakh Crore and ₹ 2.1 Lakh Crore, respectively in FY24. DII buying was led by sustained inflows into mutual funds from retail investors (gross SIP flows stood at all time high at ₹ 19,271 Crore in March 2024).

Retail broking businesses continued to improve their market share through digital initiatives. The rise of discount brokers has made it easy to invest in financial markets via zero brokerage, e-KYC and user-friendly mobile-based platforms which has made stock buying as seamless and intuitive as shopping online. Quick and paperless onboarding, UPI-based fund transfers, and a stable and scalable product have enabled equity participation for every Indian. Demat accounts in India have reached a new high of 15.1 Crore as of 31st March, 2024. Penetration of demat accounts in India increased from 8.1% to 10.7% on a year-on-year basis (1.7% in 2011). More customers from Tier II and Tier III cities are choosing to participate in the capital market and wager on the India's growth story.

PERFORMANCE REVIEW

ABML's revenue from operations grew to ₹ 394 Crore in FY24 compared to ₹ 267 Crore in FY23, an increase of 48% year-on-year primarily led by higher interest income, higher fees and commissions.

Between April 2023 and March 2024, the average daily turnover jumped over 98%, which showcases the strong demand for equity among investors. Overall, the monthly cash segment ADTO of NSE clocked ₹ 82,406 Crore in FY24 compared to ₹ 53,434 Crore in FY23, representing an increase of 54% on a year-on-year basis.

The profit after tax stood at ₹ 53 Crore for the year ended 31st March, 2024, compared to ₹ 34 Crore in the previous financial year, clocking an increase of 56%.

OUTLOOK

With the ongoing global macro stability and a reasonable base of FY24, India's GDP growth is likely to grow by 7% in FY25 as per the RBI, up from its previous prediction of 6.6%. The RBI expects India's GDP growth to be strong in Q1 and then gradually taper for the balance of quarters. However, the moderate global growth, geopolitical tensions in the Middle East and firm energy prices can weigh on the overall outlook. Inflation is likely to come down further in FY25 despite firm crude oil and commodity prices.

Nevertheless, the escalations in conflict between Iran and Israel can lead to further rise in crude oil prices and it remains the biggest risk to inflation. This, in turn, can lead to delays in interest rate cuts in the coming one year. The Meteorological Department's initial southwest monsoon forecast suggests that 2024 rainfall is likely to be above normal. It is expected to be 106% of the long period average of 87 cm. This is positive for the kharif crop season, which was affected in FY23 by a below normal monsoon that was also erratic in terms of monthly rainfall.

RBI expects inflation to stay at an average of 4.5% in FY25. The Indian economy is expected to be amongst the fastest-growing large economies in FY25, mainly backed by strong domestic drivers and strengthening macroeconomic fundamentals. With softening of the commodity prices, India will likely witness some relief on the input cost thereby driving its gross margins. Furthermore, most companies have adopted the risk of managing supply side challenges along with cost optimisation measures, which can uplift their margins margin going forward. We believe that Indian economy which witnessed K-shape recovery in the past, will change, with all the sectors gradually recovering over the medium term. The government impetus on growth and capex ahead and the same will be amongst the key monitorable going forward.

India growth story remains one of the best over the medium-to long-term in a world overflowing with structural and demographics challenges. The government's strong impetus on growth and continued focus on capital expenditure (expected to go up 11% year-on-year to ₹ 11.1 Lakh Crore in FY25, i.e. 3.4% of the GDP and 4x over FY16), will have a multiplier effect on the economy. Apart from that, the strong policy initiatives Aatmanirbhar Bharat, Make in India, supported via Production

Management Discussion and Analysis (Contd.)

Linked Incentive schemes and the National Infrastructure Pipeline supplemented by Gati Shakti Master Plan will take India to the next level of growth in the coming years. Thus, we believe that Indian economy is on right track and is on its way to becoming \$5 trillion economy in coming two years. Further, according to Centre of Economics and Business Research (CEBR), the erstwhile growth momentum could see India add on average of \$1 trillion to its economy every 2 years for next 14-15 years, and thus, India will become a \$10 trillion economy by 2035 and third-largest economic superpower by 2037.

KEY FINANCIALS

	(₹ Crore)		
	FY22	FY23	FY24
#Customers (Active)	~70k	~74k	~82k
Revenue	233	267	394
PBT	36	47	69

ADITYA BIRLA INSURANCE BROKERS LIMITED (GENERAL INSURANCE BROKING)

Aditya Birla Insurance Brokers Limited (ABIBL) is a leading composite general insurance intermediary, licenced by the Insurance Regulatory and Development Authority of India (IRDA). ABIBL specialises in providing general insurance broking and risk management solutions for corporate and individuals alike. ABIBL also offers reinsurance solutions to insurance companies and have developed enduring relationships with Indian and global insurers operating in India, South Asia, the Middle East and Southeast Asia.

PERFORMANCE REVIEW

ABIBL's revenue shrank by 9% from ₹ 618 Crore to ₹ 565 Crore; profitability (PBT) decreased by 31% from ₹ 97 Crore to ₹ 67 Crore.

OUTLOOK

Insurance broking is the only channel which represents customers and not insurers. The unique role of the broking channel is recognised by the regulator, insurers, and customers. Despite the robust growth over the years, penetration and

density have continued to remain low and impede higher growth, indicating the need to address challenges. Although the broking channel is still evolving, it is currently the only channel that continues to comprehensively meet risk management requirements of customers.

ABIBL emphasises the retention of clients across the corporate, retail and reinsurance lines of business. Various initiatives have been implemented for enhancing corporate business by targeting large corporate clients through its sector specific approach. Furthermore, ABIBL has been utilising the post-COVID-19 scenario to capitalise and build on digital assets that are used across all the lines of business by several stakeholders.

KEY FINANCIALS

	(₹ Crore)		
	FY22	FY23	FY24
Premium Placement	5,687	5,598	3,628
Revenue	691	618	565
PBT	86	97	67

RISK MANAGEMENT

At ABCL and our subsidiaries, we attach great importance to the identification, measurement, and control of risks. All the functions are responsible for the management of risks. The Board of Directors and our Risk Management Committee monitor the process of risk management and give suitable directions to the management to adopt appropriate risk control measures.

Traditional risk and control indicators serve an important purpose for financial institutions to determine their risk appetite. Technology has made it possible to use an increasing amount of data in analysing risk scenarios and identifying their possible impact on business strategies. At Aditya Birla Capital, we have created a framework that combines the traditional approach and modern data-driven approach to facilitate risk management. Against the backdrop of this credit environment and general macroeconomic factors playing out across sectors, we remain confident of our integrated risk and governance approach, which has demonstrated the capability to withstand economic and credit cycles, as well as dynamically adopt new



Management Discussion and Analysis (Contd.)

scenarios and learnings into the risk and governance framework. We are well-positioned to accelerate our growth across all lines of business, given our strong risk architecture, coupled with our strong management capability, robust capital, liquidity management and high governance standards.

INTERNAL CONTROL SYSTEMS

Our Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing the Audit Committee and the Board of Directors an independent and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, internal controls and governance processes. The framework is commensurate with the nature of the business and the size, scale, and complexity of its operations.

The internal audit plan is developed based on the risk profile of business activities of the organisation. The audit plan covers process audits of different functions and is approved by the Audit Committee, which regularly reviews compliance.

CAUTIONARY STATEMENT

Certain statements made in this Management discussion and analysis may not be based on historical information or facts and may be 'forward-looking statements' within the meaning of applicable securities laws and regulations, including, but not

limited to, those relating to general business plans and strategy of Aditya Birla Capital Limited ('ABCL' or 'Our Company'), outlook and growth prospects, competition and regulatory environment, and the management's current views and assumptions which may not remain constant due to risks and uncertainties and hence, actual results may differ materially from these forward-looking statements.

This Management discussion and analysis does not constitute a prospectus, offering circular or offering memorandum, or an offer to acquire any of our Company's equity shares or any other security, and should not be considered as a recommendation that any investor should subscribe for or purchase any of our Company's shares. Our Company, as such, makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to the fairness, accuracy, completeness or correctness of any information or opinions contained herein.

Our Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments, information or events or otherwise. Unless otherwise stated in this Management discussion and analysis, the information contained herein is based on the management information and estimates. The financial figures have been rounded off to the nearest Rupee One Crore. The events and developments up to 31st March, 2024 have been covered in the Management discussion and analysis.

Board's Report

Dear Members,

The Board of Directors of Aditya Birla Capital Limited ("your Company" or "the Company" or "ABCL") is pleased to present the 17th (Seventeenth) Annual Report and the Audited Financial Statements (Consolidated and Standalone) of the Company for the financial year ended 31st March 2024 ("financial year under review").

FINANCIAL SUMMARY AND HIGHLIGHTS

The highlights of the Consolidated and Standalone Financial Statements are detailed hereunder.

The Company's financial performance for the financial year ended 31st March 2024 as compared to the previous financial year ended 31st March 2023 is summarised below:

PARTICULARS	CONSOLIDATED		STANDALONE	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	34,505.54	27,415.65	859.57	218.56
Profit before share of Associate and Joint Venture Companies and Tax	4,278.45	5,362.66	795.34	184.20
Share of Profit of Associate and Joint Venture Companies	303.91	272.57	-	-
Profit / (Loss) Before Tax	4,582.36	5,635.23	795.34	184.20
Tax Expense	1,143.47	811.16	81.06	42.91
Profit / (Loss) After Tax	3,438.89	4,824.07	714.28	141.29
Profit / (Loss) After Tax Attributable to:				
Owners of the Company	3,334.98	4,795.77	714.28	141.29
Non-Controlling Interests	103.91	28.30	-	-
Other Comprehensive Income Attributable to:				
Owners of the Company	20.94	(40.44)	(0.13)	(0.40)
Non-Controlling Interests	35.79	(61.85)	-	-
Total Comprehensive Income Attributable to:				
Owners of the Company	3,355.92	4,755.53	714.15	140.89
Non-Controlling Interests	139.70	(33.55)	-	-
Profit / (Loss) attributable to Owners of the Company	3,334.98	4,795.77	714.28	141.29

(₹ Crore)

The above figures are extracted from the Consolidated and Standalone Financial Statements prepared in accordance with Indian Accounting Standards ("IND AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Standalone Performance

For the financial year ended 31st March 2024, on a Standalone basis revenue of the Company was ₹ 859.57 Crore and Net Worth was ₹ 13,938.58 Crore. The profit after tax of the Company was ₹ 714.28 Crore.

Consolidated Performance

- Consolidated Segment Revenue^{1,2}: ₹ 39,050 Crore (grew 30% year on year)
- Consolidated Net Profit^{2,3}: 2,902 Crore (grew 41% year on year)
- Overall, AUM across Asset Management, Life Insurance and Health Insurance at over ₹ 4.36 Lakh Crore (grew 21% year on year)
- Overall lending book [Non-Banking Financial Company ("NBFC") and Housing Finance] at ₹ 1.24 Lakh Crore (grew 31% year on year)
- Gross premium (across Life and Health Insurance) at ₹ 20,961 Crore (grew 18% year on year)

The financial results of the Company and its Subsidiaries, Joint Ventures and Associate(s) are elaborated upon in the Management Discussion and Analysis Report, which forms part of this Annual Report.

1. This is Consolidated segment revenue; for Ind AS statutory reporting purpose Asset management, wellness business and health insurance (from October 21, 2022) are not consolidated and included under equity accounting

2. Excluding gain on sale of shares in Aditya Birla Sun Life AMC Limited through Offer For Sale in Financial Year 2023-24

3. Excluding fair value gain on conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture in Financial Year 2022-23



Board's Report (Contd.)

ACCOUNTING METHOD

The Consolidated and Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards as notified under Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended and other relevant provisions of the Act.

In accordance with the provisions of the Act, applicable Accounting Standards, the SEBI Listing Regulations, the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, together with the Auditors' Report form part of this Annual Report.

The Audited Financial Statements (including the Consolidated Financial Statements) of the Company as stated above and the Financial Statements of each of the Subsidiaries of the Company, whose financials are consolidated with that of the Company, are available on the Company's website at <https://www.adityabirlacapital.com/Investor-Relations>.

MATERIAL EVENTS DURING THE YEAR

- a) The Company had issued Equity Share Capital through Preferential Issuance of 7,57,11,688 equity shares of face value ₹ 10/- each at a price of ₹165.10 per equity share (including share premium of ₹155.10 per equity share), to its Promoter and a member of Promoter Group on 26th June 2023 and through, Qualified Institutional Placement (QIP) of 10,00,00,000 equity shares of face value ₹ 10/- each at a price of ₹175.00 per equity share (including share premium of ₹165.00 per equity share), to Qualified Institutional Buyers on 30th June 2023, both aggregating to ₹ 3,000 Crore.
- b) The Board of Directors of the Company, at its Meeting held on 11th March 2024, approved the Scheme of Amalgamation of Aditya Birla Finance Limited ("Amalgamating Company") (a wholly owned subsidiary of the Company) with the Company and their respective Shareholders and Creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder ("Scheme"). The Scheme *inter-alia* provides for the amalgamation of the Amalgamating Company with the Company, and dissolution of the Amalgamating Company without winding up. The Scheme is subject to the sanction of National Company Law Tribunal ("NCLT"), Ahmedabad Bench and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders / creditors, as may be directed by the NCLT and such other regulatory / statutory authorities, as may be required.

HOLDING/ SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES COMPANIES

Holding Company

During the financial year under review, Grasim Industries Limited continued to remain the Holding Company of the Company. Grasim Industries Limited is listed at BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). As per Regulation 16(1)(c) of SEBI Listing Regulations, the Company is considered as a Material Subsidiary of Grasim Industries Limited.

Subsidiaries and Associates

As a Core Investment Company, the Company is primarily a Holding Company and holds investments in its group companies (Subsidiaries, Joint Ventures and Associates).

As on 31st March 2024, the Company had 17 (Seventeen) Subsidiaries and 2 (Two) Associate companies.

Provisions of Regulations 24 and 24A of SEBI Listing Regulations, with reference to Subsidiaries were duly complied to the extent applicable.

During the financial year under review, the major changes with respect to the Subsidiaries and Associate(s) of the Company were as under:

- a) Scheme of Amalgamation between Aditya Birla Money Insurance Advisory Services Limited ("ABMIASL"), Aditya Birla Money Mart Limited ("ABMML") and Aditya Birla Capital Technology Services Limited ("ABCTSL") with Aditya Birla Financial Shared Services Limited ("ABFSSL"), all wholly owned subsidiaries of the Company was filed with Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench on 13th December 2023 and the approval from Hon'ble NCLT is awaited.
- b) Aditya Birla Sun Life AMC Limited ("ABSLAMC") has become an Associate Company of the Company w.e.f. 24th August 2023 due to dilution of the Company's shareholding to less than 50% in ABSLAMC.
- c) Following the dilution of the Company's shareholding in ABSLAMC to less than 50%, ABSLAMC is no longer qualified as a subsidiary of the Company. Consequently, the five foreign subsidiaries of ABSLAMC has also ceased to be subsidiaries of the Company, as ABSLAMC itself transition into an Associate Company.
- d) Further, the Company sold 1,39,94,199 equity shares of Aditya Birla Sun Life AMC Limited ("ABSLAMC") representing

Board's Report (Contd.)

4.86% of the issued and paid-up Equity Share Capital of the ABSLAMC, by way of an offer for sale through Stock Exchange mechanism, in order to achieve minimum public shareholding of the ABSLAMC, as required under the applicable laws. The offer for sale was completed on 20th March 2024. Post completion of offer for sale, the shareholding of the Company in ABSLAMC was reduced to 45.14%.

MATERIAL SUBSIDIARIES

As required under Regulations 16(1)(c) of the SEBI Listing Regulations, the Board has approved and adopted the Policy for determining Material Subsidiaries. The Policy is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

Aditya Birla Sun Life Insurance Company Limited, Aditya Birla Housing Finance Limited and Aditya Birla Finance Limited are Material Subsidiaries (Debt Listed) of the Company as per Regulation 16(1)(c) of the SEBI Listing Regulations.

With effect from 24th August 2023, Aditya Birla Sun Life AMC Limited has ceased to be a Material Subsidiary of the Company as per Regulation 16(1)(c) of the SEBI Listing Regulations.

REGISTRATION AS A CORE INVESTMENT COMPANY ("CIC")⁴

The Company is registered as a Non-Deposit taking Systemically Important - Core Investment Company ("CIC- ND-SI") pursuant to the receipt of Certificate of Registration from the Reserve

Bank of India ("RBI") bearing registration no. B.01.00555, dated 6th July 2017 under Section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and Master Direction – Core Investment Companies (Reserve Bank) Directions 2016 as amended ("RBI Master Directions"). The Company is classified as Middle Layer NBFC in terms of Scale Based Regulation ("SBR"), a Revised Regulatory Framework for NBFCs' issued by RBI vide its Circular No. RBI/2021-22/112 Ref. DOR.CRE. REC.No.60/03.10.001/2021-22 dated 22nd October 2021 ("SBR Framework"), which came into effect from 1st October 2022.

RBI REGULATIONS

The Company has complied with all the regulations of RBI to the extent applicable as a CIC-ND-SI and as Middle Layer NBFC under the SBR Framework.

TRANSFER TO RESERVES

For the financial year ended 31st March 2024 an amount of ₹ 142.86 Crore was transferred to Special Reserve in terms of Section 45-IC of the RBI Act.

DIVIDEND

The Directors do not recommend any dividend for the financial year under review. In terms of the provisions of Regulation 43A of the SEBI Listing Regulations, the Company has formulated and adopted a Dividend Distribution Policy. The policy is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

SHARE CAPITAL

As on 31st March 2024, the Company's paid-up Equity Share Capital was ₹ 26,00,02,18,840 divided into 2,60,00,21,884 Equity Shares of ₹ 10 each.

During the financial year under review, the paid-up Equity Share Capital of the Company increased in the following manner:

Particulars	No. of shares	Amount in ₹ (Face value of ₹ 10 each)
Paid up Equity Share Capital as on 31 st March 2023	2,41,79,94,042	24,17,99,40,420
Details of Issue / Allotment of Equity Shares during the year		
Equity Shares issued through Qualified Institutional Placement	10,00,00,000	1,00,00,00,000
Equity Shares issued through Preferential issue	7,57,11,688	75,71,16,880
Equity Shares allotted pursuant to exercise of Stock Options, granted under ABCL Employee Stock Option Scheme 2017	63,16,154	6,31,61,540
Paid up Equity Share Capital as on 31 st March 2024	2,60,00,21,884	26,00,02,18,840

4. Statutory Disclaimer: Please note that RBI does not accept any responsibility or guarantee of the present position as to the financial soundness of the Company or the correctness of any of the statements or representations made or opinions expressed by the Company and for repayment of deposits/ discharge of liabilities by the Company, if any.



Board's Report (Contd.)

Mr. Amber Gupta, Company Secretary and Compliance Officer of the Company has been appointed as the Nodal Officer and Mr. Pramod Bohra, Vice President, has been appointed as the Deputy Nodal Officer for and on behalf of the Company for the purpose of verification of claims and co-ordination with Investor Education and Protection Fund Authority.

Their details are available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/shareholder-centre>.

DEPOSITORY

As on 31st March 2024, out of the Company's paid-up Equity Share Capital comprising of 2,60,00,21,884 Equity Shares, 2,57,40,44,070 Equity Shares (99.00%) were held in dematerialised mode.

The Company's Equity Shares are compulsorily tradable in electronic form.

RESOURCE MOBILISATION

During the financial year under review, no funds have been mobilised by way of Non-Convertible Debentures ("NCD") or Term Loans / Working Capital Demand Loan ("WC DL") from banks or through Commercial Paper. The Company is a debt free Company.

INVESTMENT IN SUBSIDIARIES AND ASSOCIATE(S)

During the year under review, the Company subscribed to Equity Share Capital of the following Subsidiaries:

Name of Subsidiary	Amount of capital infused (Equity Shares) (₹ Crore)
Aditya Birla Finance Limited	1,600.00
Aditya Birla Sun Life Insurance Company Limited	178.50
Aditya Birla Capital Digital Limited	228.00

Further, details of investment in Subsidiaries and Associates are stated in the notes to the Financial Statements forming part of this Annual Report.

CREDIT RATING

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year under review.

However, the Company continues to avail the below ratings from Credit Rating agencies to meet any unforeseen fund requirements through any of the following instruments:

Sr. No.	Nature of Instrument	Name of Instrument	Name of Credit Rating Agency	Amount Rated (₹ Crore)	Current Rating
1	Short Term Instrument	Commercial Paper	CRISIL	900	A1+
2	Short Term Instrument	Commercial Paper	ICRA Ltd.	900	A1+
3	Long Term Instrument	Non-Convertible Debenture	ICRA Ltd.	200	AAA

PUBLIC DEPOSITS

The Company, being a CIC-ND-SI, has not accepted any deposits from the public during the financial year under review in accordance with Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED

The Company is registered as a Core Investment Company with RBI. Thus, particulars of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, are not applicable to the Company.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

As the Company is a Core Investment Company investing in Subsidiaries and Associate(s), the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities.

However, some of the steps taken by the Company along with its Subsidiaries/ Associate(s) for conservation of energy include:

- The Company and its Subsidiaries/ Associate(s) are committed to reducing negative environmental impact.
- The Company along with Subsidiaries/ Associate(s) tied up with ViaGreen, an organisation that helps us in waste management and recycling.
- Most of the offices of the Company and its Subsidiaries/ Associate(s) have installed LED lights making them very energy-efficient. Rooftop solar panel has been installed at Pune, Bengaluru and Noida branch offices.

Board's Report (Contd.)

- As a step towards further reducing the environmental impact, the documents for Board and Committee meetings of the Company and its Subsidiaries/ Associate(s) are transmitted electronically using a secure web-based application, thereby saving paper.
- The energy saving measures taken also include selecting and designing offices to facilitate maximum natural light utilisation, video-conferencing facilities across all offices to reduce the need of employee travel, digital learning initiatives for employees, optimised usage of lights and continuous monitoring and control of the operations of the air conditioning equipment as well as elimination of non-recyclable plastic in offices.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no foreign exchange earnings during the financial year under review as well as during the previous financial year. The foreign exchange outgo during the financial year under review was ₹ 3.34 Crore as compared to ₹ 0.52 Crore, during the previous financial year.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure I** to this report.

Details as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member. In terms of the provisions of Section 136(1) of the Act, the Annual Report is being sent to all the Members of the Company whose email address(es) are registered with the Company/ Depository Participants via electronic mode, excluding the aforesaid Annexure which shall be made available for inspection by the Members via electronic mode. If any Member is interested in obtaining a copy thereof, the Member may write to the Company Secretary at the Registered Office of the Company in this regard or send an email to abc.secretarial@adityabirlacapital.com.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company forms part of the top 1000 listed entities on BSE and NSE as on 31st March 2024. Accordingly, pursuant to Regulation 34(2) of SEBI Listing Regulations, Business

Responsibility and Sustainability Report ("BRSR") of the Company for FY 2023-24 forms part of this Annual Report.

The Company has also voluntarily undergone an independent assurance of the BRSR for FY 2023-24. The BRSR along with the assurance statement provided by DNV Business Assurance India Private Limited (Assurance Provider) confirming reasonable assurance of Core attributes of the Business Responsibility and Sustainability Report of the Company for FY 2023-24 is also available on the Company's website at <https://www.adityabirlacapital.com/%20investor-relations/financial-reports>.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year up to the date of this Report.

CHANGE IN NATURE OF BUSINESS

During the financial year under review, there has been no change in the nature of business of the Company.

EMPLOYEE STOCK OPTION PLAN

Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022

The Company has adopted "Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022" ("Scheme 2022") for the benefit of the employees of the Company and its Subsidiaries, Associates and Group companies.

Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2017 and ABCL Incentive Scheme for Stock Options and Restricted Stock Units - 2017.

The Company also adopted "Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2017" ("Scheme 2017") for the benefit of the employees of the Company and its Subsidiaries and "ABCL Incentive Scheme for Stock Options and Restricted Stock Units - 2017" ("ABCL Incentive Scheme") pursuant to the Composite Scheme of Arrangement between erstwhile Aditya Birla Nuvo Limited and Grasim Industries Limited and the Company and their respective Shareholders and Creditors.

Scheme 2022, Scheme 2017 and ABCL Incentive Scheme are hereinafter collectively referred to as the "ESOP Schemes".



Board's Report (Contd.)

The aforesaid ESOP Schemes are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (collectively referred to as "SEBI (SBEB) Regulations"), as applicable.

Aditya Birla Capital Limited Stock Appreciation Rights Scheme 2019

The Company also adopted "Aditya Birla Capital Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), which is a cash-based plan linked to the actual stock price movement over the plan tenure.

Further, details on the ESOP Schemes and the SARs Scheme 2019 are provided in the Corporate Governance Report which forms part of this Annual Report.

There were no material changes made to the aforesaid schemes during the financial year under review.

The details/disclosure(s) on the aforesaid ESOP Schemes as required to be disclosed under the SEBI (SBEB) Regulations are available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/financial-reports>.

Certificates from the Secretarial Auditors on the implementation of the ESOP Schemes will be made available via electronic mode at the ensuing 17th (Seventeenth) Annual General Meeting ("AGM") of the Company for inspection by the Members.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34(2) of SEBI Listing Regulations, the Management Discussion and Analysis Report for the financial year under review forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of this Annual Report. The requisite certificate from M/s. N L Bhatia & Associates, Practising Company Secretaries (UIN: P1996MH055800) on compliance with the requirements of Corporate Governance forms part of this Annual Report.

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARY AND ASSOCIATE COMPANIES

A report on the performance and financial position of each of the Company's Subsidiary and Associate companies as per Section 129(3) of the Act read with the Companies (Accounts) Rules,

2014, in the prescribed Form AOC-1 is attached as **Annexure II** to the Board's Report.

RISK MANAGEMENT

Risk Management is at the core of our business and ensuring, we have the right risk-return trade-off in line with our risk appetite is the essence of our Risk Management practices, while looking to optimise the returns that go with that risk.

Board of Directors keep oversight on all the risks assumed. The Company being Core Investment Company (NBFC), the risks therefore largely relate to investments made in its Subsidiaries/ Associate(s). The operation of each of the Subsidiaries/ Associate(s), the risks faced by them, and the risk mitigation tools used to manage them are reviewed periodically by their Risk Management Committees and Boards of Directors.

The Subsidiaries/ Associate(s) of the Company also have well established Risk Management Frameworks designed to identify, assess, monitor and mitigate risks inherent in their business. The framework enables effective Risk Management through a structure of Committees, policies, internal controls and reporting. Three line of Defence Model is the core of Risk Management Governance in the Company wherein first line of defence i.e. Line Management take the accountability and ownership of Risk identification and its mitigation, second line of Defence viz. Risk and Compliance functions keep oversight on Risk and Compliance matters in the Company. Internal Audit being third Line of Defence provide Independent Assurance to Audit committee and Board by conducting Risk Based Audits.

Over the years, the Company and its Subsidiaries/ Associate(s) have built a strong Risk Management Framework supported by well-established policies, procedures, system and a talent pool of Risk Professionals.

From Risk Management perspective, Company, its Subsidiaries and Associate(s), Board of Directors are supported by Risk Management Committee(s) and Audit Committee(s) to ensure monitoring of risks and ensure effective functioning of the Governance framework. These Committees are governed by their respective Charters approved by Board of Directors.

- Risk Management Committee of the Board *inter-alia* reviews risk management policies of the Company pertaining to credit, market, liquidity and outsourcing risks and business continuity management. The Committee(s) also reviews the Risk Appetite and Enterprise Risk Management frameworks, Internal Capital Adequacy Assessment Process ("ICAAP") and stress testing. The Committees reviews the level and direction of major risks pertaining to credit, market,

Board's Report (Contd.)

liquidity, operational, reputational, technology, information security, compliance, group, and capital at risk as a part of the risk dashboard.

- Audit Committee of the Board provides direction to and monitors the quality of the internal audit function, oversees the financial reporting process and also monitors compliance with inspection and audit reports.

Further, in line with regulatory or risk management frameworks, respective Board committees are supported by Management level Credit Committees viz. Asset and Liabilities Management, Operational Risk Management and IT Strategy Committee, as applicable.

Business Continuity

The Company and its Subsidiaries/ Associate(s) have well documented Business Continuity Management Programmes which have been designed to ensure continuity of critical processes during any disruption. A robust Disaster Recovery framework has been put in place to ensure uninterrupted operations and service to customers.

In view of the increased move to digital modes of business and adoption of new technologies, there was an enhanced focus on Cyber Security and the Company, and its Subsidiaries/ Associate(s) continued to invest in a strong Cyber Defence Programme.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, all transactions entered into by the Company with related parties were in ordinary course of business and on arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. Hence, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Rule 8 of the Companies (Accounts of Companies) Rules, 2014, is not applicable.

Prior approval of the Audit Committee is obtained for all Related Party Transactions ("RPTs") including omnibus approval for transactions which are of a repetitive nature and entered into in the ordinary course of business and at arm's length in accordance with the Policy on RPTs of the Company. A statement on RPTs specifying the details of the transactions pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of RPTs are submitted to the Stock Exchanges on a half-yearly basis and published on the Company's website at <https://www.adityabirlacapital.com/investor-relations/announcements-and-updates>.

There were no material transactions entered into with related parties during the period under review, which may have had any potential conflict with the interests of the Company at large.

The details of transactions with related parties of the Company for the financial year under review, are given in notes to the Financial Statements, which forms part of this Annual Report.

The Policy on Related Party Transactions as approved by the Audit Committee and the Board, is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

INTERNAL FINANCIAL CONTROLS

The Company and its Subsidiaries/ Associate(s) have well established internal control systems in place which are commensurate with the nature of their business and size, scale and complexity of their operations. Standard Operating Procedures ("SOP") and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated.

The Company along with its Subsidiaries/ Associate(s) also periodically engage outside experts to carry out independent review of the effectiveness of various business processes. The observations and best practices suggested are reviewed by the management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

INTERNAL AUDIT

The Company has in place an effective Internal Audit Framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations with a Risk Based Internal Audit ("RBIA") approach.



Board's Report (Contd.)

The Company has implemented a RBIA Programme in accordance with the requirements of RBI circular dated 3rd February 2021. The Internal audit plan is approved by the Audit Committee and Internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the operating management, Directors of the Company state that:

- i) in the preparation of the Annual Accounts for the financial year ended 31st March 2024, the applicable Accounting Standards have been followed and there were no material departures from the same;
- ii) 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 as at 31st March 2024 and of the profit/ loss of the Company for the financial year ended on that date;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the Annual Accounts on a 'going concern basis';
- v) the Directors had laid down Internal Financial Controls and that such Internal Financial Controls were adequate and were operating effectively; and
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / Re-Appointment / Resignation of Directors

As on 31st March 2024, the Board of Directors of the Company ("the Board") comprised 7 (Seven) Directors including 1 (One) Woman Director.

Dr. Santrupt Misra (DIN: 00013625), ceased to be Non-Executive Non-Independent Director from the Board during the financial year under review.

Retirement by Rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Romesh Sobti (DIN: 00031034), Non-Executive Non-Independent Director retires from the Board by rotation and being eligible, offers himself for re-appointment at the ensuing AGM of the Company.

The Nomination, Remuneration and Compensation Committee of the Company and the Board of Directors have recommended the re-appointment of Mr. Romesh Sobti to the shareholders at the ensuing AGM. The information required to be disclosed under Regulation 36(3) of the SEBI Listing Regulations in case of re-appointment of Mr. Romesh Sobti is provided in the Notice of the ensuing AGM.

Declaration by Independent Directors

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and 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.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold the highest standards of integrity.

All Independent Directors of the Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Fit and Proper Criteria

All the Directors meet the fit and proper criteria stipulated under the RBI Master Directions, as amended.

Key Managerial Personnel and Senior Management Personnel

Mrs. Vishakha Mulye, Chief Executive Officer ("CEO"), Mrs. Pinky Mehta, Chief Financial Officer ("CFO") and Mr. Amber Gupta, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as on 31st March 2024 in terms of the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of the Senior Management Personnel are provided in the Corporate Governance Report, which forms part of this Annual Report.

ANNUAL PERFORMANCE EVALUATION

The evaluation framework for assessing the performance of the Directors of the Company comprises contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of the Company provided by them, amongst others.

During the year under review, considering the evolving good governance practices in India, the Nomination, Remuneration and Compensation Committee ("NRC") approved revised Board Evaluation Framework.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the NRC and the Board of Directors have carried out an annual performance evaluation of the Board, performance of Individual Directors, various Committees of the Board and the Chairman. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report, which forms part of this Annual Report.

Outcome of the Evaluation

The Board of the Company was satisfied with the functioning of the Board and its Committees. Non-Executive Directors and Independent Directors demonstrate a strong understanding of the Company and its requirements. They keep themselves current on the areas to be discussed at the Board Meetings. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by applicable laws, important issues are brought up and discussed in the

Committee Meetings. The Board was also satisfied with the contribution of Directors in their individual capacities. The Board has full faith in the Chairman leading the Board effectively and ensuring participation and contribution from all the Board Members.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 7 (Seven) times on 11th May 2023, 1st June 2023, 2nd August 2023, 3rd November 2023, 16th January 2024, 1st February 2024 and 11th March 2024.

Further details on the Board, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

Audit Committee

The Company has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act, SEBI Listing Regulations and RBI Master Directions.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of the Company.

Further details on the Audit Committee, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

Nomination, Remuneration and Compensation Committee

The Company has constituted a Nomination, Remuneration and Compensation Committee ("NRC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act, SEBI Listing Regulations and directions/guidelines/ framework issued by RBI.

Further details on the NRC, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.



Board's Report (Contd.)

During the year under review, RBI has issued Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs which came into effect from 1st April 2023.

The Executive Remuneration Philosophy/ Policy of the Company which was formulated under the provisions of Section 178(3) of the Act and SEBI Listing Regulations, was amended with effect from 1st April 2023 to align with the directions/ guidelines/ framework issued by RBI as applicable. The said Policy is attached as **Annexure III** to the Board's Report and the same is uploaded on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

Other Committees

The Board of Directors has also constituted the following Committees:

- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- PIT Regulations Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Asset Monetisation Committee

More information on all of the above Committees including details of their Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 of the Company for the financial year 2023-24 is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/financial-reports>

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Hon'ble Courts or Tribunals which would impact the going concern status and Company's operations in future.

AUDITORS

Statutory Auditors, their Report and Notes to Financial Statements

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, SEBI (Listing Regulations) and Circular no. RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 issued by RBI on Guidelines for appointment of Statutory Auditors ("RBI Circular") as amended, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as Statutory Auditors of the Company for a term of 3 (Three) continuous years from the conclusion of 14th (Fourteenth) AGM till the conclusion of 17th (Seventeenth) AGM of the Company. Thus, the tenure of B S R & Co. LLP, Chartered Accountants would end at the conclusion of the ensuing AGM.

Consequent to the completion of term of Statutory Auditors (B S R & Co. LLP, Chartered Accountants) at the 17th AGM, the Board of Directors, based on the recommendation of the Audit Committee, have recommended the appointment of M. M. Nissim & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 107122W/W100672) as Statutory Auditors of the Company for a term of 3 (Three) continuous years from the conclusion of 17th (Seventeenth) AGM till the conclusion of 20th (Twentieth) AGM of the Company for the approval of shareholders of the Company in the forthcoming AGM.

The Company has received a letter from M. M. Nissim & Co. LLP, Chartered Accountants confirming that they are not disqualified to act as Statutory Auditors of the Company and they comply with the eligibility criteria/requirements specified under Section 141(3) of the Companies Act and the RBI Circulars.

The observation(s) made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

Secretarial Audit and Secretarial Compliance Report

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. N L Bhatia, Practising Company Secretaries, to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. N L Bhatia, Company

Board's Report (Contd.)

Secretaries, is attached as **Annexure IV** to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Pursuant to Regulation 24A of the SEBI Listing Regulations, the Annual Secretarial Compliance Report for the financial year under review will be submitted to the Stock Exchanges and uploaded on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/announcements-and-updates>.

Cost Records and Auditors

The provisions of Cost Records and Cost Audit as prescribed under Section 148 of the Act are not applicable to the Company.

Reporting of Frauds by Auditors

None of the Auditors of your Company, i.e. the Statutory Auditors and Secretarial Auditors have reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee.

The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

During the financial year under review, the Company was not required to make any expenditure towards CSR projects, in absence of average net profit for three immediately preceding financial years calculated in accordance with the provisions of Section 198 of the Act. Accordingly, no CSR activity was undertaken by the Company. Considering that the Company was not required to contribute any amount towards CSR activities, report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 has not been furnished.

Further, details on the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In compliance with the provisions of 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 Company has formulated a Whistle Blower Policy/ Vigil Mechanism for Directors and Employees to report concerns, details of which are covered in the Corporate Governance Report, which forms part of this Annual Report.

The said policy is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Committee has been set up to redress complaints, if any, received regarding sexual harassment of women employees. The Company has complied with the provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year under review, there were no complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES

The Company along with its Subsidiaries and Associate(s) has always aspired to be an organization and a workplace which attracts, retains and provides a canvas for talent to operate. Its vision of being a leader and a role model in a broad based and integrated financial services business and a culture that is purpose driven gives meaning to our people.

We believe that meaning at work is created when people relate to the purpose of the organisation, feel connected to their leaders and have a sense of belonging. Our focus stays strong on providing our people a work environment that welcomes diversity, nurtures positive relationships, provides challenging work assignments and opportunities based on meritocracy for people to grow and build their careers with us in line with their aspirations.

As on 31st March 2024, the employee strength of the Company was 21 and along with the Subsidiaries and Associate(s) it had 46600+ employees.



Board's Report (Contd.)

The workforce along with Subsidiaries and Associate(s) comprises of more than 62% millennials and 31% women as on 31st March 2024.

Building Capabilities, Enabling Success

We aim to build organizational capabilities that ensure ABCL, and its subsidiaries win in the marketplace and succeed together. We achieve this by igniting purpose, amplifying connections, and fostering a strong sense of belonging. Our focus is on creating an inclusive, diverse environment that nurtures relationships, challenges boundaries, and provides boundless, merit-based growth opportunities.

Talent Management & Succession Planning

Our talent management strategy focuses on cultivating a robust, future-ready talent pool and building a strong leadership succession pipeline. We prioritize discovering and developing high-potential and high-performing employees through comprehensive, future-focused development programmes. Our goal is to shape leaders driven by a zeal for customer value and executional excellence. We also emphasize enhancing future-relevant skills in Digital, Technology, Risk, and Analytics through various initiatives and collaborations with global entities.

Employee Wellness and Engagement

Our commitment to a vibrant, engaging work environment and employee wellbeing exemplifies our forward-thinking corporate culture. We prioritize connection and camaraderie through events, town halls, leadership sessions, and milestone celebrations, ensuring employees feel valued and engaged. This strategy enhances employee connectivity and morale, boosting productivity and motivation.

We emphasize employee wellbeing as a core operational philosophy, adopting a holistic approach encompassing Physical, Emotional, Financial, Intellectual and Social dimensions. Our comprehensive wellness solutions and health coaching demonstrate our dedication to fostering a healthier, more satisfying workplace.

Learning and Development

We prioritize continuous learning and growth, offering employees valuable opportunities through our AI-enabled learning app and our Gyanodaya Virtual Campus (GVC), which includes courses, videos and webinars. Our employees access e-learning courses, video modules, micro-learning resources and sustainability courses for flexible, self-paced learning.

The AB Capital app supports our frontline sales teams with courses on induction, regulatory matters, products, processes and functional training. We also focus on building capabilities for frontline managers and provide multi-product training to support cross-selling and up-selling. This training is integrated into our onboarding process to benefit all employees.

SUSTAINABILITY

Sustainability is one of the key focus areas for us and being a CIC, the Company drives the sustainability practices in its Subsidiaries and Associate(s), centrally. The sustainability efforts are aligned with Aditya Birla Group's sustainability strategy and purpose statement. The Company has identified three main categories to implement sustainability across its Subsidiaries and Associate(s) namely, Environment, Social and Governance. We have introduced 25 industry specific ESG scorecards based on the UN's Equator Principles in the infrastructure lending business. One of our subsidiaries raised ₹1,000 Crore in green loans from the International Finance Corporation to finance renewable energy projects. Through its subsidiary, Aditya Birla Sun Life AMC Limited, the Company has also launched an ESG-focused equity fund with an AUM of more than ₹677 Crore as of 31st March 2024. Financial inclusion and serving the underbanked have been key focus areas for our subsidiaries engaged in lending to SMEs, supply chain finance for small vendors, affordable housing, rural insurance, and micro-SIPs, with our portfolio expanding to urban, semi-urban, and rural parts of India. We've reduced our environmental impact through the installation of solar panels totalling 140 kW across some branches, demonstrating a commitment to clean energy. Our innovative 'PadCareX' initiative with PadCare Labs recycled 38,048 sanitary pads in FY24, conserving 2,039 kg of carbon equivalent and saving 19,023 litres of landfill space. Additionally, our recycling efforts processed around 33,738 kg of dry waste, preventing 90.61 MTCO₂ emissions.

The Enterprise Risk Management function plays an integral part in managing sustainability risk across all businesses. The Chief Risk Officer ("CRO") guides and governs the sustainability strategy across the businesses.

The detailed Sustainability Report will be made available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/sustainability-reports>.

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India ("ICSI") on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

CODE FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulation 2015, as amended, the Company has a Board approved code of conduct to regulate, monitor and report trading by Insiders and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Further details on the same are covered in the Corporate Governance Report, which forms part of this Annual Report.

AWARDS AND RECOGNITIONS

During the financial year under review, the Company and its Subsidiaries and Associate(s) have been felicitated with awards and recognitions across various functional areas which has been elaborated under Awards and Recognitions section in this Annual Report.

OTHER DISCLOSURES

In terms of applicable provisions of the Act and SEBI Listing Regulations, the Company discloses that during the financial year under review:

- i) there was no issue of shares (including Sweat Equity Shares shares) to employees of the Company under any scheme save and except under Employee Stock Option Scheme referred to in this Report.
- ii) there was no Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- iii) there was no public issue, rights issue, bonus issue etc. other than Qualified Institutional Placement and Preferential Issue as disclosed in this Report.

- iv) there was no issue of shares with differential rights.
- v) there was no transfer of unpaid or unclaimed amount to Investor Education and Protection Fund ("IEPF").
- vi) there were no proceedings for Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
- vii) there was no failure to implement any Corporate Action.
- viii) there were no borrowings from Banks or Financial Institution and no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

The Board takes this opportunity to express its appreciation for the support and co-operation extended by our various partners and other business associates. The Board gratefully acknowledges the ongoing co-operation and support provided by all Statutory and Regulatory Authorities.

The Board also acknowledges the support and contribution of Company's Bankers, Stock Exchanges, Registrar of Companies, Depositories, the Reserve Bank of India, Securities and Exchange Board of India, Central and State Governments and other regulatory bodies and the shareholders who have always supported and helped the Company to achieve our objectives.

The Board places on record its appreciation for the exemplary contribution made by the employees of the Company and its Subsidiaries and Associate(s) at all levels. Their dedicated efforts and enthusiasm have been pivotal to the Company's and its Subsidiaries and Associate(s)' growth.

By order of the Board of Directors
For **Aditya Birla Capital Limited**

Kumar Mangalam Birla

Chairman

DIN: 00012813

Date: 13th May 2024

Place: Mumbai



Annexure I

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. During the financial year under review, sitting fees were paid to the Directors of the Company for attending the Meetings of the Board of Directors and of the Committees of which they are Members. This remuneration, by way of fees, is not related to the performance or profit of the Company. In view of this, the ratio of remuneration of each Director to the median employees' remuneration is not computed.
- ii. Percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary ("managerial personnel") of the Company during the financial year 2023-24 was as under:

Sr. No.	Name	Designation	% increase in remuneration in the financial year 2023-24 (Please see note below)
1	Mrs. Vishakha Mulye	Chief Executive Officer	12%
2	Mrs. Pinky Mehta	Chief Financial Officer	10%
3	Mr. Amber Gupta	Company Secretary and Compliance Officer	8%

Note: Payment made towards Variable Pay and Long-term incentive plan (LTIP/Deferred Compensation) is excluded.

- iii. In the financial year 2023-24, there was an increase of 7.76% in the median remuneration of employees.
- iv. As at 31st March 2024, there were 21 permanent employees on the rolls of the Company.
- v. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was 8% whereas the increase in the managerial personnel remuneration for the same financial year was 11%.
- vi. It is hereby affirmed that the remuneration paid is as per the Executive Remuneration Philosophy/ Policy of the Company.

Annexure II

AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies for the year ended 31st March 2024

PART - A – SUBSIDIARIES*

₹ Crore					
Sr. No.	1	2	3	4	5
Name of Subsidiaries	Aditya Birla Finance Limited	Aditya Birla Housing Finance Limited	Aditya Birla Money Limited	Aditya Birla Insurance Brokers Limited	Aditya Birla Money Mart Limited
Date since when Subsidiary acquired	22-Apr-10	31-Dec-12	23-Feb-10	15-Apr-10	06-Aug-09
Share Capital (Equity)	689.40	501.20	5.65	5.13	93.20
Other Equity	14,554.14	1,758.60	157.06	188.59	2.48
Total Assets	1,11,211.76	18,461.29	2,116.11	364.53	148.15
Total Liabilities	95,968.22	16,201.49	1,953.40	170.81	52.47
Investments	5,862.38	265.75	429.97	127.24	21.40
Revenue from Operations	12,702.22	1,835.07	390.19	551.07	-
Profit/(Loss) before Tax	2,987.07	376.46	68.93	67.43	4.24
Tax Expenses	766.21	85.77	15.96	16.82	2.24
Profit/(Loss) for the Year	2,220.86	290.69	52.97	50.61	2.00
Proposed/Interim Dividend	-	-	-	-	-
Percentage Holding as on 31 st March 2024	100.00%	100.00%	73.53%	50.002%	100.00%

₹ Crore					
Sr. No.	6	7	8	9	10
Name of Subsidiaries	Aditya Birla Money Insurance Advisory Services Limited	Aditya Birla Sun Life Trustee Private Limited	Aditya Birla Wellness Private Limited	Aditya Birla Financial Shared Services Limited	Aditya Birla Capital Digital Limited
Date since when Subsidiary acquired	06-Aug-09	10-Oct-12	23-Jun-16	03-Aug-09	23-Mar-23
Share Capital (Equity)	4.97	0.02	11.67	0.05	253.00
Other Equity	31.80	1.68	6.24	3.39	(193.17)
Total Assets	39.31	2.02	25.17	221.24	195.82
Total Liabilities	2.54	0.32	7.26	217.80	135.99
Investments	31.81	1.78	11.23	-	39.73
Revenue from Operations	40.82	0.26	9.18	-	6.30
Profit/(Loss) before Tax	30.20	0.36	(5.14)	1.35	(174.48)
Tax Expenses	7.83	0.09	-	0.01	-
Profit/(Loss) for the Year	22.37	0.27	(5.14)	1.34	(174.48)
Proposed/Interim Dividend	-	-	-	-	-
Percentage Holding as on 31 st March 2024	100.00%	50.85%	51.00%	100.00%	100.00%



Annexure II (Contd.)

₹ Crore

Sr. No	11	12	13	14	15	16	17
Name of Subsidiaries	Aditya Birla Sun Life Insurance Company Limited	Aditya Birla ARC Limited	Aditya Birla Stressed Asset AMC Private Limited	Aditya Birla Sun Life Pension Management Limited	Aditya Birla Trustee Company Private Limited	Aditya Birla Capital Technology Services Limited formerly known as Aditya Birla MyUniverse Limited	Aditya Birla PE Advisors Private Limited
Date since when Subsidiary acquired	23-Mar-17	10-Mar-17	22-May-18	23-Mar-17	28-Nov-08	11-Dec-08	02-Jul-08
Share Capital (Equity)	1,986.51	100.00	14.80	85.00	0.05	1.80	3.50
Reserves and Surplus	1,488.52	167.06	23.90	(26.44)	0.40	(39.73)	0.92
Total Assets	90,543.29	669.62	39.52	66.89	0.47	5.24	4.49
Total Liabilities	87,068.26	402.56	0.82	8.33	0.02	43.17	0.08
Investments	86,161.38	563.86	1.94	61.63	0.46	-	4.36
Revenue from Operations	26,414.16	173.74	7.73	1.41	-	24.65	-
Profit/(Loss) before Tax	200.25	126.41	8.01	(7.96)	0.02	(0.51)	0.18
Tax Expenses	15.11	33.35	1.07	0.11	-	-	(0.02)
Profit/(Loss) for the Year	185.14	93.06	6.94	(8.07)	0.02	(0.51)	0.20
Proposed/Interim Dividend	-	-	-	-	-	-	-
Percentage Holding as on 31 st March 2024	51.00%	100.00%	100.00%	51.00%	100.00%	100.00%	100.00%

* As per Companies Act 2013

Additional Notes:

- Aditya Birla Sun Life Pension Management Limited is a wholly owned subsidiary of Aditya Birla Sun Life Insurance Company Limited. Aditya Birla Money Insurance Advisory Services Limited is a wholly owned subsidiary of Aditya Birla Money Mart Limited.

PART - B - ASSOCIATES*

		₹ Crore	
Sr. No.		1	2
	Name of Associate	Aditya Birla Sun Life AMC Limited	Aditya Birla Health Insurance Co. Limited
1	Latest audited Balance Sheet date	31 st March 2024	31 st March 2024
2	Date on which the Associate was associated or acquired	24 th August 2023	21 st October 2022
3	Shares of Associate held by the company on the year end		
	No. of Shares	13,00,34,601	23,30,06,086
	Amount of investment in Associate [#]	29.75	997.53
	Extend of Holding %	45.14%	45.89%
4	Reason why the Associate is not consolidated	NA	NA
5	Net worth attributable to shareholding as per latest audited Balance Sheet	1,423.94	2,957.65
6	Profit or (Loss) for the year 31 st March 2024	774.23	(181.85)
	i. Considered in consolidation 31 st March 2024	385.95	(83.45)
	ii. Not considered in consolidation 31 st March 2024	388.28	(98.40)

* As per Companies Act 2013

[#] Excludes investment in Associate Held for Sale of ₹ 0.09 Crore

Note:

During the year, the Company had sold 1,39,94,199 Equity Shares of Aditya Birla Sun Life AMC Limited ("ABSLAMC") representing 4.86% of the issued and paid-up equity share capital of the ABSLAMC, by way of an offer for sale through stock exchange mechanism, in order to achieve minimum public shareholding of the ABSLAMC as required under the applicable laws.

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Vishakha Mulye
(Chief Executive Officer)

Arun Kumar Adhikari
Director
(DIN: 00591057)

S. C. Bhargava
Director
(DIN: 00020021)

Pinky Mehta
Chief Financial Officer

Amber Gupta
Company Secretary

Mumbai, 13th May 2024



Annexure III

EXECUTIVE REMUNERATION PHILOSOPHY/ POLICY

Aditya Birla Capital Limited (“the Company”/ “We” / “Our”) an Aditya Birla Group Company adopts this Executive Remuneration Philosophy / Policy in accordance with the applicable regulations from time to time including the Companies Act 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) and the RBI guidelines on compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs vide circular no. RBI/2022-23/36 DOR.GOV.REC. No.29/18.10.002/2022-23 dated 29th April, 2022 (‘Applicable Law’). This philosophy/ policy is detailed below.

ADITYA BIRLA CAPITAL LIMITED: EXECUTIVE REMUNERATION PHILOSOPHY/POLICY

At Aditya Birla Capital Limited, we expect our executive team to foster a culture of growth and prudent risk-taking. Our Executive Remuneration Philosophy / Policy supports the design of programmes that align executive rewards (including fixed pay, variable pay and perquisites and benefits) with the long-term success of our stakeholders.

Objective:

Our executive remuneration programme is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. To ensure effective governance of compensation practices and alignment with prudent risk taking.
3. To ensure that the compensation practices take on board the regulatory framework stipulated from time to time by RBI or any other relevant regulatory body.

Coverage:

This Policy shall be applicable to the following Executives:

1. Executive Director of the Company
2. Key Managerial Personnel (KMP)
 - a) CEO / Managing Director / Whole Time Director / Manager
 - b) Chief Financial Officer
 - c) Company Secretary
3. Senior Management Personnel: i.e., Officers / Personnel of the Company who are members of its core management

team excluding Board of Directors comprising all members of management one level below the Managing Director / Whole Time Director / CEO or Manager.

Governance Structure for Compensation:

1. The Nomination, Remuneration and Compensation Committee (“NRC”) is responsible for framing, review and implementation of the Company’s compensation policy on behalf of the Board and its role is as set out in the NRC Charter / Terms of Reference.
2. The NRC may also co-ordinate with the Risk Management Committee with the objective of suitably aligning compensation with prudent risk taking as applicable.
3. This Policy is subject to review by the NRC on an annual basis or more frequently as required and approved by the Board.

Principles for Determination of Compensation for Executives:

Compensation to Executives shall be determined based on the following principles:

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including fixed pay, variable pay and perquisites and benefits) directionally between median and top quartile of the primary talent market.

1. The level and composition of compensation is reasonable and sufficient to attract, retain and motivate the Executives of the quality required to run the Company successfully, which means compensation takes on board:
 - Market competitiveness for the role (‘market’ for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent).
 - The size and scope of the role (including those in control functions) and the market standing, skills and experience of incumbents while positioning our executives.
 - The size of the Company, complexity of the sector / industry / Company’s operations and the Company’s capacity to pay.
2. Linkage of compensation to appropriate performance benchmarks.

Annexure III (Contd.)

3. Compensation outcomes are symmetric with risk outcomes and pay-outs thereof are sensitive to the time horizon of the risk.
4. Compensation structure will have a proper balance between Fixed Pay and Variable Pay.

Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components:

- i. **Fixed Pay:** Comprising of Basic Salary, Allowances, Retirals and other benefits and will include imputed value of benefits like Housing and Car. It also includes cost of retirals such as Company's contribution to PF, Gratuity, superannuation and pension [Including National Pension System (NPS)].
- ii. **Variable Pay:** Includes Performance bonus/Annual Incentive, Long Term Incentive Pay in form of cash bonuses, all share-linked instruments (e.g. ESOP, SARS, etc.). (The deterioration in the financial performance of the Company / business segment/ function/ individual can lead to a contraction in the total amount of variable pay, which can even be reduced to zero for a particular year depending on the performance outcome of the year.)
- iii. **Perquisite & Benefits:** Perquisite Pay / Benefits are over and above Fixed Pay and include Medical Benefit; Life Insurance Benefit; Personal Accident Benefit; etc. These broad-based plans may be applicable to all employees or select group of employees.

In addition to these broad-based plans, Executives are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Company / Group.
- iv. **Other Elements:** Which includes Joining/ Sign on Bonus, Severance package, Deferred Incentive Plans, etc.

Salient features of the compensation structure

- The proportion of variable pay to fixed pay is higher at senior levels and varies across roles based on levels of responsibility.
- Variable Pay payable is subject to Group, Company, Business / Function and Individual performance. Part of variable pay

is deferred over a time horizon of 3 to 4 years in the manner determined by NRC / Board. This may be in the form of cash and non-cash components of the variable pay.

- We aim that the remuneration programmes do not encourage excessive risk taking. We review our remuneration programmes keeping in mind the balance between risk and payout and material portion of the variable pay is deferred spread over three to four years in line with the risk involved.

Malus and Clawback

The Company believes in sustained business performance in tandem with prudent risk taking.

Malus arrangement permits the Company to prevent vesting of all or part of the variable pay which has been deferred. It does not reverse vesting after it has already occurred.

Clawback is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested compensation attributable to a given reference year.

Malus and clawback is applicable to employees even after their separation from the organisation.

Malus and clawback may be applied for circumstances like gross and/ or willful negligence in performance of their duty or has committed fraud or has performed an act with malafide intent or obstructs the functioning of an organisation; misconduct; Material breach of Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations and any other additional circumstances as determined by NRC.

In deciding the application of malus / clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation / withdrawal, the NRC will take into consideration all relevant factors, including *inter-alia*, internal factors such as role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors, including but not restricted to situations, that may have been beyond the control of the concerned employee.



Annexure IV

SECRETARIAL AUDIT REPORT

To,
The Members,
Aditya Birla Capital Limited
Indian Rayon Compound
Veraval Gujrat- 362266

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No.: 700/2020

N L Bhatia
Partner
FCS: 1176
CP. No. 422

UDIN: F001176F000356071

Date: 13th May 2024
Place: Mumbai

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

For The Financial Year Ended 31st March, 2024

[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,
Aditya Birla Capital Limited
Indian Rayon Compound
Veraval, Gujrat- 362266

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good governance practices by **Aditya Birla Capital Limited** (herein after called '**the Company**'). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ("the Auditing Standards") and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of:

- a) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
 - b) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
 - c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - d) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 read with the notifications, guidelines and circulars issued by Securities and Exchange Board of India or Stock Exchanges in this regards, to the extent applicable to the Company:
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - vi. The Securities and Exchange Board of India (Registrar to an Issue and Share transfer Agents) Regulations, 1993; regarding the Companies Act, 2013 and dealing with the client;
 - vii. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
 - viii. Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company).
 - f) Reserve Bank of India Master Direction/Guidelines to Systemically Important Non-Deposit taking Non-Banking Financial Company, which were applicable to the Company from the receipt of Certificate of Registration;
 - g) Prevention of Money Laundering Act, 2002.
- We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings;



Annexure IV (Contd.)

- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

We further report that, 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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were carried out unanimously as recorded in the minutes of the Meetings of Board of Directors and/or Committee(s) of the Board, as the case may be.

We 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. All the notices and orders received by the Company pursuant to the abovementioned laws have been adequately dealt with/duly replied/complied with.

We further report that, during the period under review, the Members at the Extra-Ordinary General Meeting held on 24th June 2023, approved following special resolutions:

- Issue of equity shares on a Preferential basis for an aggregate consideration not exceeding ₹ 1,250 Crore to Grasim Industries Limited (Promoter) and Surya Kiran Investments Pte Limited (a member of Promoter Group)
- Issuance of securities for an aggregate consideration not exceeding ₹ 1,750 Crore.

We further report that during the period under review the Company had issued equity share capital through Preferential Issuance of 7,57,11,688 equity shares of face value ₹ 10/- each at a price of ₹165.10 per equity share (including share premium of ₹155.10 per equity share), to its Promoter and a member of Promoter Group on 26th June 2023 and through,

Qualified Institutional Placement (QIP) of 10,00,00,000 equity shares of face value ₹ 10/- each at a price of ₹175.00 per equity share (including share premium of ₹165.00 per equity share), to Qualified Institutional Buyers on 30th June 2023 both aggregating to ₹ 3,000 Crore.

We further report that, during the period under review, the Board of Directors of the Company at their meeting held on 11th March 2024 approved the Scheme of Amalgamation of Aditya Birla Finance Limited ("Amalgamating Company") (a wholly owned subsidiary of the Company) with the Company and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder. The Scheme *inter-alia* provides for the amalgamation of the Amalgamating Company with the Company, and dissolution of the Amalgamating Company without winding up. The Scheme is subject to the sanction of National Company Law Tribunal (NCLT), Ahmedabad Bench and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders / creditors, as may be directed by the NCLT and such other regulatory / statutory authorities, as may be required.

We further report that, during the period under review, the Company has sold 1,39,94,199 equity shares of Aditya Birla Sun Life AMC Limited ("ABSLAMC") representing 4.86% of the issued and paid-up equity share capital of the ABSLAMC, by way of an offer for sale through Stock Exchange mechanism, in order to achieve minimum public shareholding of the ABSLAMC as required under applicable laws. Post completion of offer for sale, the shareholding percentage of the Company in ABSLAMC stands at 45.14%.

We further report that, during the period allotted 63,16,154 Equity Shares under the Employee Stock Option Schemes of the Company.

For **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No.: 700/2020

N L Bhatia

Partner

FCS: 1176

CP. No. 422

UDIN: F001176F000356071

Date: 13th May 2024

Place: Mumbai

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"Our values provide us with our roots and they provide us with our wings."

Mr. Kumar Mangalam Birla,
Chairman, Aditya Birla Group

The Aditya Birla Group is one of the pioneers in the field of Corporate Governance. As a part of the Group, your Company is committed to continuously adopt and adhere to the best governance practices, to achieve the goal of making the Company a value-driven organisation.

Your Company along with its Subsidiaries is one of the young and new age business ventures of the Aditya Birla Group having a strong parentage and is a leading financial services conglomerate.

Your Company's governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in its value system and reflected in its strategic thought process. At a macro level, your Company's governance philosophy rests on five basic tenets, viz., Board accountability to the Company and Members, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all Members and transparency and timely disclosures.

The Corporate Governance framework of your Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management team and constitution and functioning of Board Committees, as required under applicable laws.

The Board functions either as a full Board or through various Committees constituted to oversee specific functions. The Senior Management provides your Board detailed reports on the Company's performance periodically.

COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

The details of compliance with the requirements stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") and Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("RBI Master Directions") with respect to corporate governance are as follows:

I. BOARD OF DIRECTORS

Composition

The Board of Directors of your Company ("the Board") comprised of 7 (Seven) Directors including 3 (Three) Non-Executive Directors (including one Nominee Director) and 4 (Four) Independent Directors, of whom one is a Woman Director. The Chairman of the Board, Mr. Kumar Mangalam Birla, is a Non-Executive and Non-Independent Director. The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing Regulations. In terms of the provisions of the Act and SEBI Listing Regulations, the Directors submit necessary disclosures regarding the positions held by them on the Board and/ or Committees of other Companies, from time to time.

On the basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors: -

- a) hold Directorships in more than 10 (Ten) public Companies;
- b) hold Directorships in more than 7 (Seven) listed entities;
- c) serve as an Independent Director in more than 7 (Seven) listed entities;
- d) is a Member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (i.e. Audit and Stakeholders Relationship Committee) across all the public Companies in which he/she is a Director; and
- e) are related to each other.

All Independent Directors on the Board are Non-Executive Directors as defined under the Act and SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. All the Independent Directors have confirmed



Corporate Governance Report (Contd.)

that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and have submitted the required declaration under section 149(7) of the Act. Based on the disclosures received from the Independent Directors, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and SEBI Listing Regulations and are independent of the management and are also in compliance with the limit on Independent Directorships of

listed Companies as prescribed under Regulation 17A of the SEBI Listing Regulations.

Mr. Kumar Mangalam Birla, the Chairman of the Board, is not related to Mrs. Vishakha Mulye, Chief Executive Officer of the Company, as per the definition of the term “relative” defined under the Act.

The brief profile of the present Directors on the Board is available on the Company’s website at <https://www.adityabirlacapital.com/about-us/board-of-Directors>.

The details of the Directors of the Company with regard to their outside Directorships, Committee positions, including that in listed entities, as on 31st March 2024 were as follows:

Name of the Director	Category of Directorship held in your Company	No. of outside Directorship(s) held ¹	Outside Committee positions held ²		Names of other listed entities where Director holds Directorship (excluding the Company and the category of directorship held in such other listed entity) ³
			Member	Chairperson	
Mr. Kumar Mangalam Birla (DIN:00012813)	Non-Executive Non-Independent, Member of Promoter Group of the Company	7	-	-	1. Century Textile and Industries Limited* 2. Grasim Industries Limited* 3. UltraTech Cement Limited* 4. Hindalco Industries Limited* 5. Vodafone Idea Limited* 6. Aditya Birla Fashion and Retail Limited*
Mr. Sushil Agarwal (DIN:00060017)	Non-Executive Non-Independent	5	3	-	1. Vodafone Idea Limited* 2. Grasim Industries Limited*
Mr. Arun Adhikari (DIN:00591057)	Independent	4	4	-	1. UltraTech Cement Limited# 2. Vodafone Idea Limited# 3. Voltas Limited# 4. Aditya Birla Fashion and Retail Limited#
Mr. P. H. Ravikumar (DIN: 00280010)	Independent	4	5	2	1. Bharat Forge Limited#
Mr. S. C. Bhargava (DIN:00020021)	Independent	6	8	4	-
Mrs. Vijayalakshmi Iyer (DIN:05242960)	Independent	8	9	3	1. ICICI Securities Limited# 2. CG Power and Industrial Solutions Limited# 3. Computer Age Management Services Limited# 4. Glemark Pharmaceuticals Limited#
Mr. Romesh Sobti (DIN: 00031034)	Non-Executive Non-Independent (Nominee Director – Representative of Jomei Investments Limited- equity investor of the Company	2	3	1	1. Adani Green Energy Limited# 2. Delhivery Limited#

* Category of Directorship is Non-Independent and Non-Executive

Category of Directorship is Independent

Notes:

1. Excluding Directorship in your Company, Foreign Companies, Private Limited Companies and Companies incorporated under Section 8 of the Act

Corporate Governance Report (Contd.)

- Only two Committees viz. Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies are considered.
- Only equity listed companies are considered.

Details of Skills/ Expertise/ Competencies of the Board

The Directors on Board of the Company are adequately skilled, have relevant expertise as per Industry norms and have rich experience.

Your Company's Board has identified the following skills/ expertise/ competencies to function and discharge its responsibilities effectively:

				
Industry Knowledge	Marketing	Sustainability	Financial Expertise	Risk Management
				
Innovation/Technology	Corporate Governance, Legal & Compliance	Human Resource Development	Strategic Expertise	General Management

While all the Board members possess the skills identified, their area of core expertise is given below:

Directors	Skill/	Expertise/	Competencies							
Name of the Director	Skills identified and area of core expertise									
Mr. Kumar Mangalam Birla										
Mr. Sushil Agarwal										
Mr. Arun Adhikari										
Mr. P. H. Ravikumar										
Mr. S. C. Bhargava										
Mrs. Vijayalakshmi Iyer										
Mr. Romesh Sobti										



Corporate Governance Report (Contd.)

The Board collectively displays the following qualities:

- Integrity: fulfilling a Director's duties and responsibilities;
- Curiosity and courage: asking questions and persistence in challenging management and fellow Board Members where necessary;
- Interpersonal skills: working well in a group, listening well, tact and ability to communicate their point of view frankly;
- Interest: in the organisation, its business and the people;
- Instinct: good business instincts and acumen, ability to get to the crux of the issue quickly;
- Belief in diversity;
- Active participation: at deliberations in the Meetings.

The Board of Directors of your Company are professionals, possessing wide experience and expertise in their areas of function and with their collective wisdom fuel your Company's growth.

Non-Executive Directors' Compensation and Disclosures

Sitting fees paid to the Directors for attending Meetings of the Board / Committees have been approved by the Board. No commission was recommended/ paid to any of the Directors during the financial year under review. Details of the Sitting fees paid to Directors are given separately in this Report.

Board's Functioning and Procedure

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Board's role, functions, responsibilities and accountabilities are well defined. All relevant information is regularly placed before the Board. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussions.

The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional Meetings are held to address specific needs and business requirements of your Company. The information as required under Schedule V (c) of the SEBI Listing Regulations is made available to the Board.

The Company makes available video conferencing facility or other audio-visual means for attending the Meetings of the Board and Committees.

Notice of Board / Committee Meetings is given well in advance to all the Directors (other than if held at shorter notice for which consent is obtained). The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairman and Chief Executive Officer of the Company. Agenda papers are circulated a week prior to the date of the Meeting to enable the Board / Committee Members take informed decisions at the Meetings (other than if held at shorter notice). The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in SEBI Listing Regulations to the extent they are relevant and applicable. Prior approval is obtained from the Board for circulating agenda items with shorter notice for matters that are in the nature of Unpublished Price Sensitive Information ("UPSI").

7 (Seven) Board Meetings were held during the financial year under review.

Meetings and attendance during the financial year under review:

Date of Board Meeting	Board Strength	No. of Directors Present
11 th May 2023	8	6
1 st June 2023	8	8
2 nd August 2023	8	7
3 rd November 2023	7	7
16 th January 2024	7	5
1 st February 2024	7	6
11 th March 2024	7	5

The Board has unfettered and complete access to all information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Part A of Schedule II to Regulation 17 of the SEBI Listing Regulations and in particular reviews and approves business plans, annual budgets and capital expenditure. The Board provides strategic direction and oversight to ensure that your Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The details of attendance of each Director at the Board Meetings held during the financial year under review and at the previous

Corporate Governance Report (Contd.)

Annual General Meeting (“AGM”) of the Company held on 18th August 2023 through virtual mode are as under:

Name of the Director	No. of Board Meetings		
	Held during tenure	Attended	Attended Last AGM
Mr. Kumar Mangalam Birla	7	4	Yes
Dr. Santrupt Misra (Ceased to be a director w.e.f. 18 th August 2023)	3	3	Yes
Mr. Sushil Agarwal	7	5	Yes
Mr. Arun Adhikari	7	6	Yes
Mr. S. C. Bhargava	7	7	Yes
Mr. P. H. Ravikumar	7	7	Yes
Mrs. Vijayalakshmi Iyer	7	7	Yes
Mr. Romesh Sobti	7	5	Yes

Particulars of Senior Management (including Key Managerial Personnel):

Details of Senior Management of the Company as on 31st March 2024 are as under. During the year under review, there were no changes in Senior Management.

Name of the Senior Management	Designations
Mrs. Vishakha Mulye	Chief Executive Officer
Mrs. Pinky Mehta	Chief Financial Officer
Mr. Vijay Deshwal	Chief Strategy Officer & Head - Investor Relations
Mrs. Sanchita Mustaphy	Chief Risk Officer
Mr. Charanjit Singh	Chief Audit Officer
Mr. Subhro Bhaduri	Chief Human Resource Officer
Mr. Ramesh Narayanawamy	Chief Technology Officer
Mr. Mukesh Malik	Chief Operating Officer
Ms. Darshana Shah	Head - Marketing & Customer Experience
Mr. Amber Gupta	Company Secretary & Compliance Officer

Code of Conduct for Board Members and Senior Management

In compliance with Regulations 17(5) and 26(3) of the SEBI Listing Regulations, the Company has adopted a Code of Conduct for the Board Members and Senior Management of the Company (“the Code”). The Code is applicable to all the Board Members and Senior Management of the Company. The Code is available on your Company’s website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

The Senior Management Personnel of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the

Company that could have potential conflict of interest with the Company at large.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the financial year under review and a declaration to that effect signed by the Chief Executive Officer of the Company forms a part of this Annual Report.

Board Induction, Training and Familiarisation

A letter of appointment together with an induction kit is given to the Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities. As per Regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company’s website at <https://www.adityabirlacapital.com/about-us/board-of-directors>.

The Directors are familiarised with your Company’s businesses and its operations. Interactions are held between the Directors and Senior Management of your Company from time to time. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. The details of the said familiarisation programmes are available on your Company’s website at <https://www.adityabirlacapital.com/about-us/board-of-directors>.

Performance evaluation of the Board

A formal mechanism has been adopted for evaluating the performance of the Board, covering Independent Directors, Non-Executive Directors (Non-Independent), the Board Committees, the Board and the Chairman of the Board.

During the year under review, considering the evolving good governance practices in India, the Nomination, Remuneration and Compensation Committee (“NRC”) approved revised Board Evaluation Framework.

The evaluation is based on criteria which include, amongst others, providing strategic perspective, time devoted and preparedness for Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision making ability, role and effectiveness of the Committees, etc. The Directors duly completed and submitted the questionnaires providing feedback on functioning of the Board as a whole, individual directors, Committees, and the Chairman of the Board.

Further details are mentioned in the Board’s Report.



Corporate Governance Report (Contd.)

Performance evaluation criteria for Independent Directors

The Directors other than Independent Directors of your Company evaluate the following:

- performance of Independent Directors
- fulfilment of the independence criteria as specified in SEBI Listing Regulations and their independence from the management.

The evaluation is based on the following criteria as to how an Independent Director:

1. Director understands and fulfils the functions as assigned by the Board and the law;
2. Invests time in understanding the Company and its unique requirements;
3. Brings in external knowledge and perspective to the table for;
4. Expresses his/her views on the issues discussed at the Board; and
5. Keeps himself/herself current on areas and issues that are likely to be discussed at the Board level;
6. Preparation and Participation of the Director in meetings.

Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations a Meeting of the Independent Directors of your Company was held on 27th March 2024 without the presence of the Non-Independent Directors and the Members of the Management. The Meeting was attended by all 4 (Four) Independent Directors. They discussed matters including the performance/ functioning of the Company, reviewed the performance of the Chairman and other Non-Executive Directors, assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties, etc.

Prohibition of Insider Trading

In terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 your Company adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons in listed or proposed to be listed securities of the Company

("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons of your Company (as defined under the Insider Code) are covered under the Insider Code, which provides *inter-alia* for obtaining pre-clearances for trading in the securities of your Company.

The Company has in place, a tracking mechanism for monitoring trade in the equity shares of the Company by Designated Persons identified under the Insider Code. The Board has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPS") which includes details of your Company's policy for determination on 'legitimate purposes' as per the requirements of the SEBI (Prohibition of Insider Trading) Regulations and is available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>. The Audit Committee also reviews compliance with the provisions of above regulations on an annual basis.

Mr. Amber Gupta, Company Secretary is the "Compliance Officer" in terms of the Insider Code.

II. COMMITTEES OF THE BOARD

Your Board has constituted the Committees with specific terms of reference as per the requirements of the SEBI Listing Regulations, the Act, RBI Master Directions and other applicable provisions. The Board accepted all recommendations of the Committees of the Board, during the financial year under review.

The Committees play a vital role in the effective compliance and governance of the Company in line with their specified and distinct terms of reference and role and responsibilities. The Chairpersons of the respective Committees report to the Board on the deliberations and decisions taken by the Committees. The minutes of the Meetings of all Committees are placed before the Board for its perusal on a regular basis.

The Committees of the Board are elaborated hereunder:

1. Audit Committee

A qualified and independent Audit Committee has been constituted pursuant to the provisions of Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and RBI Master Directions.

The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board.

Corporate Governance Report (Contd.)

All the Members of the Audit Committee are financially literate. The Chairperson and Members of the Audit Committee have accounting or related financial management expertise.

The Statutory Auditors and Head of Internal Auditor of your Company are invited to attend the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Audit Committee Meetings from time to time, for providing such information as may be necessary.

The Chairperson of the Audit Committee, Mrs. Vijayalakshmi Iyer, attended the Annual General Meeting of the Company held on 18th August 2023.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosures and maintain the integrity and quality of financial reporting.

The Audit Committee has all the powers as specified in Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as considered necessary.

The terms of reference of the Audit Committee include:

1. Approval or any subsequent modification of transactions of the Company with related parties;
2. Scrutiny of inter-corporate loans and investments, if any;
3. Reviewing the utilisation of loans and/ or advances from/ investment by the holding Company in the Subsidiaries exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiaries, whichever is lower including existing loans / advances / investments;
4. Valuation of undertakings or assets of the Company, wherever it is necessary;
5. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
6. Appointing any external firm to conduct special reviews of the Company (financial or legal) subject to the approval of the Board;

7. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
8. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with stock exchanges and other legal / regulatory requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualification(s) / modified opinion(s) in the draft audit report;
9. Reviewing, with the management, the quarterly financial statements/ results before submission to the board for approval;
10. Laying down the criteria for granting the omnibus approval in line with the policy on related party transactions of the Company;
11. Satisfying itself regarding the need for omnibus approval and that such approval is in the interest of the Company;
12. Reviewing, at least on quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given, if any;
13. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus /



Corporate Governance Report (Contd.)

- notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
14. Reviewing Management Discussion and Analysis of financial condition and results of operations;
 15. Reviewing the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 16. Reviewing the financial statements, in particular, the investments made by the unlisted Subsidiaries.
 17. Evaluating the internal financial controls and risk management systems;
 18. Discussing with internal auditors of any significant findings and follow up there on;
 19. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 20. Reviewing internal audit reports relating to internal control weaknesses; and
 21. Reviewing Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
 22. Reviewing ageing analysis of entries pending reconciliation with outsourced vendors, if any and monitoring the systems in place for internal audit of all outsourced activities, if any;
 23. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 24. Approval of payment to statutory auditors, internal auditors and tax auditors for any other services rendered by them;
 25. Reviewing and monitoring the statutory and internal auditors independence and performance, and effectiveness of audit process;
 26. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 27. Reviewing the findings, adequacy and structure of the internal audit function, including the credentials of the appointed third-party firm, if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 28. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;
 29. Reviewing the appointment, removal and terms of remuneration of the Internal auditor;
 30. Reviewing with the management the adequacy of the internal control systems;
 31. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 32. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
 33. Reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and RBI compliances as maybe amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;
 34. Looking into the reasons for substantial defaults, if any, in the payment to the debenture holders (if any), shareholders (in case of non-payment of declared dividends) and creditors;
 35. Reviewing the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting, accounting, auditing and other related matters and ensuring that these arrangements allow independent investigation of such matters and initiation of appropriate follow-up action and reviewing the functioning of the Whistle-blower mechanism / overseeing the vigil mechanism;
 36. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of your Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Audit Committee met 5 (Five) times on 11th May 2023, 2nd August 2023, 3rd November 2023, 1st February 2024 and 11th March 2024.

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mrs. Vijayalakshmi Iyer (Chairperson)	Independent	5	5
Mr. P. H. Ravikumar (Member)	Independent	5	5
Mr. S. C. Bhargava (Member)	Independent	5	5
Mr. Sushil Agarwal (Member)	Non-Executive Non-Independent	5	3

The Company Secretary acts as the Secretary to the Committee.

2. Nomination, Remuneration and Compensation Committee

The Nomination, Remuneration and Compensation Committee has been constituted pursuant to the provisions of Section 178 of the Act, Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and RBI Master Directions.

The terms of reference of the Nomination, Remuneration and Compensation Committee include:

1. Recommending to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Ensuring the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and Senior Managers of the quality required to run the Company successfully;

3. Ensuring the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
4. Ensuring the remuneration provided to Directors and Senior Managers includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
5. Recommend to the Board, all remuneration, in whatever form, payable to senior management. For the purpose of this charter, senior management shall mean Officers of the Company as defined by the Board of Directors of the Company from time to time in compliance with the SEBI Listing Regulations and/ or other regulatory/ statutory requirements as may be applicable to the Company; and
6. Work in close coordination with Risk Management Committee (RMC) of the Company to achieve effective alignment between compensation and risks; and
7. Ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).
8. Formulating appropriate policies and instituting processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time;
9. Reviewing and implementing succession and development plans for Managing Director, / Chief Executive Officer, Executive Directors and Senior Managers;
10. Devising a policy on Board diversity;
11. Formulating the criteria for determining qualifications, positive attributes and independence of Directors;
12. Decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report on performance evaluation of Independent Directors;
13. Formulate, supervise and monitor the process of issuance/ grant/ vesting/ cancellation of Employee



Corporate Governance Report (Contd.)

Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employee Stock Options Scheme(s), from time to time, as per the provisions of the applicable laws;

14. Evaluating 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 and basis the same, recommending to the Board the appointment of an Independent Director.

[For the purpose of identifying suitable candidates, the Committee may:

- i. use the services of an external agencies, if required;
- ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- iii. consider the time commitments of the candidates.]

15. Establishing evaluation criteria and conducting the process of performance evaluation of each Director in a structured manner;

16. Establishing evaluation criteria of Board and Board Committees;

17. Reviewing and making recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans);

18. The Committee shall review and discuss with management the disclosures required to be included in the Board's Report, as specified in the Act and the Rules thereunder.

19. Scrutinize the declarations received under 'Fit and Proper' Criteria for proposed/ existing directors based on the information provided in the signed declaration and to decide on the acceptance or otherwise of the directors, where considered necessary and to ensure that there is no conflict of interest in appointment of directors on Board of the Company, KMPs and senior management.

20. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

21. The Committee will be called upon from time to time to enable the Board to decide on appointment and removal of Executives. The Committee is expected to exercise due diligence, professional judgment and prudence in this process

22. In discharging its responsibilities, the Committee will be supported by the Group Human Resources-Rewards and Benefits team of the Aditya Birla Group, who are independent of the management of the Company. In addition, the Committee will have resources, authority and adequate funding to appoint external consultants.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Committee met 6 (Six) times on 11th May 2023, 2nd August 2023, 3rd November 2023, 16th January 2024, 1st February 2024 and 11th March 2024.

The Chairman of the Nomination, Remuneration and Compensation Committee, Mr. Arun Adhikari, attended the Annual General Meeting of the Company held on 18th August 2023.

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. Arun Adhikari (Chairman)	Independent	6	6
Mr. S. C. Bhargava (Member)	Independent	6	6
Mrs. Vijayalakshmi Iyer (Member)	Independent	6	6
Dr. Santrupt Misra (Ceased to be a member w.e.f. 18 th August 2023)	Non-Executive Non-Independent	2	2
Mr. Kumar Mangalam Birla (Member) (Appointed as a Member w.e.f. 19 th October 2023)	Non-Executive Non-Independent	4	2

The Company Secretary acts as a Secretary to the Committee.

EMPLOYEE STOCK OPTIONS SCHEMES ADOPTED BY THE COMPANY

a. Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022 ("Scheme 2022")

The Scheme 2022 was recommended by the Nomination, Remuneration and Compensation Committee for the benefit of the eligible employees of the Company, and its group Company(ies) including its holding Company and subsidiary Company(ies), and associate Company(ies) [as defined under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations").

The Scheme 2022 was approved by the Members of the Company vide Postal Ballot on 16th October 2022. For extending the benefits of the Scheme 2022 to the employees of the group companies including holding, subsidiary and associate companies, a separate Special Resolution was also passed by the Members of the Company vide the said Postal Ballot on 16th October 2022.

During the financial year 2023-24, 29,70,741 performance stock units and 19,37,049 employee stock options were granted by the Company under Scheme 2022.

b. Aditya Birla Capital Limited Employee Stock Option Scheme 2017 ("Scheme 2017")

The Scheme 2017 was formulated by the Nomination, Remuneration and Compensation Committee of the Board with an aim to provide competitive remuneration opportunities to employees of your Company and its Subsidiaries, which was approved by the Board at its Meeting held on 26th June, 2017, and by the Members of the Company vide Special Resolution passed at the Annual General Meeting ("AGM") held on 19th July 2017 and in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ("SEBI SBEB Regulations"). For extending the benefits of the Scheme 2017 to the employees of the Company's Subsidiaries, a separate Special Resolution was also passed by the Members of the Company at the said AGM held on 19th July 2017.

During the financial year 2023-24, 27,67,811 units of stock options were granted by the Company under Scheme 2017.

During the financial year under review, the Company allotted 63,16,154 Equity Shares of ₹ 10/- each, upon

exercise of Stock Options, Restricted Stock Units and Performance Restricted Stock Units by the eligible grantees, in terms of the provisions of the Scheme 2017, statutory provisions including SEBI SBEB Regulations and other applicable laws, as applicable from time to time and the rules and procedures set out by your Company in this regard.

c. ABCL Incentive Scheme for Stock Options and Restricted Stock Units 2017 ("ABCL Incentive Scheme")

Pursuant to the Composite Scheme of Arrangement between (erstwhile) Aditya Birla Nuvo Limited ("ABNL"), Grasim Industries Limited ("Grasim") and the Company and their respective Shareholders and Creditors ("the Composite Scheme") and pursuant to Sections 230-232 of the Act, the Nomination, Remuneration and Compensation Committee of the Board of Directors of the Company approved the ABCL Incentive Scheme.

During the financial year under review, the Company had not allotted any Stock Options and Restricted Stock Units under the provisions of the ABCL Incentive Scheme.

The details on the above Employee Stock Option Scheme(s) as required to be disclosed under the SEBI SBEB Regulations are available on your Company's website at <https://www.adityabirlacapital.com/investor-relations/financial-reports>.

Certificates from M/s. N L Bhatia, Practising Company Secretaries (UIN: P1996MH055800), Secretarial Auditors confirming that the ESOP Schemes have been implemented in accordance with the SEBI SBEB & SE Regulations will be made available via electronic mode at the ensuing 17th (Seventeenth) Annual General Meeting ("AGM") of the Company for inspection by the Members.

d. Stock Appreciation Rights Scheme 2019 ("SARs Scheme 2019")

Your Company has also instituted "Aditya Birla Capital Limited Stock Appreciation Rights Scheme 2019" which is a cash-based plan linked to the actual stock price movement over the plan tenure. In order to compensate the loss to an employee due to the lapse of Stock Options/ Restricted Stock Units/ Performance Restricted Stock Units in the event of transfer of the employee to any Group Company of the Company as mentioned under the SARs Scheme 2019, your Company implemented the SARs Scheme 2019 for such employees.



Corporate Governance Report (Contd.)

The SARs Scheme 2019, does not give rise to any right towards any equity share of the Company and hence, is not covered under the provisions of SEBI SBEB Regulations. On exercise of the SARs granted under the said scheme, the employee exercising the SARs becomes entitled to receive cash, in terms of the scheme. Nil RSU SARs and Options SARs were granted during the financial year under review pursuant to the SARs Scheme 2019.

Remuneration Policy

Your Company has adopted an Executive Remuneration Philosophy/Policy.

The same forms part of this Annual Report and is also available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>.

Your Company has in place a Directors and Officers liability Insurance Policy for the Company and its Subsidiaries, covering all Directors including Independent Directors of your Company and its Subsidiaries.

3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted pursuant to the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee include:

1. Monitoring and resolving the grievances of the security holders of the Company received from the shareholders, debenture holders of the Company, other security holders, if any, SEBI, the Stock Exchanges, the MCA - Registrar of Companies etc. 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; and the action taken by the Company for redressal of the same;
2. Reviewing measures taken for effective exercise of voting rights by security holders;
3. Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the security holders of the Company, as applicable;
5. Reviewing the results of any investigation / audit conducted by any statutory authority;
6. Approving allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
7. Approving requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities, if any;
8. Authorising the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities, if any;
9. Approving and ratifying the action taken by the authorized officers of the Company in compliance of the requests received from the shareholders / investors for issue of duplicate/ replacement / consolidation / sub-division, dematerialisation, rematerialisation and other purposes for the shares, debentures and other securities of the Company, if any;
10. Monitoring the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company, if any;
11. Giving directions for monitoring the stock of blank stationery and for printing of stationery required by the Secretarial Department of the Company from time to time for issuance of share certificates, debenture certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery;
12. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Stakeholders Relationship Committee met 7 (Seven) times on 8th May 2023, thrice on 26th June 2023, twice on 30th June 2023 and 30th October 2023.

Corporate Governance Report (Contd.)

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mrs. Vijayalakshmi Iyer (Chairperson)	Independent	7	7
Dr. Santrupt Misra (Ceased to be a member w.e.f. 18 th August 2023)	Non-Executive Non-Independent	6	6
Mr. Sushil Agarwal (Member)	Non-Executive Non-Independent	7	7
Mr. Arun Adhikari (Member) (Appointed as a Member w.e.f. 2 nd August 2023)	Independent	1	1

Mrs. Vijayalakshmi Iyer, the Chairperson of the Committee attended the Annual General Meeting of the Company held on 18th August 2023. The Company Secretary acts as Secretary to the Committee and is the Compliance Officer of the Company and also responsible for redressal of investor complaints.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee ("CSR") has been constituted pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

The terms of reference of the Corporate Social Responsibility Committee include:

1. Formulation of CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommending the same to the Board;
2. Recommending to the Board the annual action plan and the amount to be spent on CSR activities;
3. Reviewing and approving, the CSR projects/programmes to be undertaken by the Company either directly or through Aditya Birla Capital Foundation (ABCF) or through implementation partners as deemed suitable, during the financial year and specifying modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;

4. Monitoring the implementation of the CSR policy;
5. Monitoring and reporting mechanism for the projects or programmes;
6. Reviewing the need for impact assessment, if any, for the projects undertaken by the Company and undertaking the same if needed;
7. Reviewing implementation of the action plan; and
8. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Corporate Social Responsibility Committee met once on 12th March 2024.

The composition and attendance at the Meeting was as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. Arun Kumar Adhikari (Chairperson)	Independent	1	1
Mr. S C Bhargava (Member)	Independent	1	1
Mr. P H Ravikumar (Member)	Independent	1	1

Mrs. Rajashree Birla, Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development, Dr. Pragnya Ram, Group Executive President, CSR and Mrs. Vishakha Mulye, Chief Executive Officer of the Company, are permanent invitees to the Meetings of Corporate Social Responsibility Committee.

The Company Secretary acts as the Secretary to the Committee.

During the financial year under review, your Company was not required to make any expenditure towards Corporate Social Responsibility ("CSR") projects, in absence of average net profit for three immediately preceding financial years calculated in accordance with the provisions of Section 198 of the Act.



Corporate Governance Report (Contd.)

5. Risk Management Committee

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations and RBI Master Directions, to frame, implement and monitor the risk management plan of the Company.

The terms of reference of the Risk Management Committee include:

1. Overall responsibility to monitor and approve the Risk Management Framework;
2. Ensuring proper identification of the risk associated with cyber security;
3. Assisting the Board in determining the measures that can be adopted to mitigate the risk;
4. Ensuring that appropriate measures are being taken to achieve prudent balance between risk and reward in both ongoing and new business activities and continuously aim to add value to the Company's stakeholders by growing business that supports inclusive growth;
5. Assisting the Board in creating long-term stakeholder value by implementing a business strategy that considers every dimension of ethical, social, environmental, cultural, and economic spheres;
6. Formulating a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks faced by the entity including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - b. measures for risk mitigation including systems and processes for internal control of identified risks;
 - c. Business continuity plan;
7. Ensuring appropriate methodology, processes and systems are in place to monitor and evaluate all risks that the Company is exposed to, including credit, operational risk, market risk, liquidity risk etc.;
8. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
9. Periodically reviewing the significant outsourcing arrangements and vendor / service provider performance;
10. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
11. Nomination, Remuneration and Compensation Committee of the Company may work in close coordination with the Committee to achieve effective alignment between compensation and risks;
12. The appointment, removal and terms of remuneration of the Chief Risk Officer ("CRO") shall be subject to review by the Risk Management Committee;
13. Approving the appointment, removal and terms of remuneration of the Chief Risk Officer ("CRO"), (if any);
14. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.
15. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
16. The Committee shall have the authority to call a meeting with CRO without the presence of Chief Executive Officer/ Managing Director.
17. The Committee shall have powers 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.
18. The Committee shall keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Risk Management Committee met 2 (Two) times on 1st August 2023 and 19th October 2023.

Corporate Governance Report (Contd.)

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. Arun Kumar Adhikari (Chairman)	Independent	2	2
Dr. Santrupt Misra (Ceased to be a member w.e.f. 18 th August 2023)	Non-Executive Non-Independent	1	1
Mr. Romesh Sobti (Member)	Non-Executive Non-Independent (Nominee)	2	1
Mrs. Vishakha Mulye (Member)	Chief Executive Officer	2	2

The Chief Risk Officer was invited to the Meetings of the Risk Management Committee.

The Company Secretary acts as the Secretary to the Committee.

Risk Management Policy of the Company is available on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/policies-and-codes>.

6. PIT Regulations Committee

The PIT Regulations Committee has been constituted pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, ("PFUTP Regulations") the Code of Conduct to Regulate, Monitor and Report trading by Designated Persons in listed or proposed to be listed securities of the Company ("Code of Conduct") and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company ("Code for Fair Disclosure").

The terms of reference of PIT Regulations Committee include:

1. Identifying / reviewing the list of persons to be included in the list of designated persons under the Code of Conduct, at regular intervals, on the basis of their role, function and

access to Unpublished Price Sensitive Information ("UPSI") in the Company as well as the Subsidiaries of the Company;

2. Reviewing the functioning of the mechanism adopted for monitoring trade in the securities of the Company by the Designated persons as identified under the Code of Conduct;
3. Ensuring maintenance of adequate and effective internal controls including maintaining a structured digital data base of 'Designated Persons', containing names of persons or entities, with whom information is shared under the PIT Regulations along with PAN, with adequate internal controls and checks, such as time stamping and audit trails to ensure non-tampering of the database and compliance with the PIT Regulations.
4. Considering and approving the inclusion of additional transactions, as 'Legitimate purpose' for sharing of information by the Company, in furtherance of the Company's and stakeholders' interest other than as provided under the Code for Fair Disclosure;
5. Reviewing the adequacy and effectiveness of the internal controls in place for restrictions on communication or procurement of UPSI;
6. Carrying out inquiry in relation to leak of UPSI / potential breach of the Code of Conduct by the suspected Designated Person(s);
7. Reviewing and reporting to the Audit Committee and the Board of Directors of the Company, at the beginning of each financial year, the compliance of the Code of Conduct and PIT Regulations;
8. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the PIT Regulations Committee met 2 (Two) times on 8th May 2023 and 30th October 2023 respectively.



Corporate Governance Report (Contd.)

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mrs. Vijayalakshmi Iyer (Chairperson)	Independent	2	2
Mr. S. C. Bhargava (Member)	Independent	2	2
Dr. Santrupt Misra (Ceased to be a member w.e.f. 18 th August 2023)	Non-Executive Non-Independent	1	1
Mrs. Vishakha Mulye (Member)	Chief Executive Officer	2	1
Mrs. Pinky Mehta (Member)	Chief Financial Officer	2	1

The Company Secretary acts as the Secretary to the Committee.

The PIT Regulations Committee has further constituted a PIT Disciplinary Committee comprising of Chief Compliance & Risk Officer, Chief Financial Officer and Chief Human Resources Officer for the purpose of deciding upon the actions to be taken in case of violations of the Code of Conduct and PFUTP Regulations. The decisions and actions, if any, taken by the PIT Disciplinary Committee are reported to the PIT Regulations Committee at its subsequent meetings. The details of violations and actions taken, if any, are also reported to the Stock Exchanges as required under the PIT Regulations.

7. Asset-Liability Management Committee

The Asset-Liability Management Committee has been constituted under RBI's Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies read with RBI Master Directions, as amended (collectively referred to as "RBI Framework").

The terms of reference of the Asset-Liability Management Committee include:

1. Governance of Liquidity Risk Management by:
 - a. Ensuring adherence to the risk tolerance/limits set by the Board; and
 - b. Implementing the liquidity risk management strategy and Capital Planning

2. Internal Controls – To ensure appropriate internal controls, systems and procedures for adherence to liquidity risk management policies and procedure;
3. Reviewing the Liquidity Risk Measurement basis various approaches;
4. Monitoring Liquidity Risk basis various Tools;
5. Reviewing the Credit Sanction Process for High Value Proposals;
6. Reviewing the Pricing of Assets and Liability and Monitor the sensitivity of assets and liabilities to changes in interest rates;
7. Ensuring Liquidity through maturity matching;
8. Monitoring market risk management systems, compliance with the asset liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Guidelines issued in this behalf from time to time;
9. Monitoring the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives;
10. Reviewing the effects of various possible changes in the market conditions related to the balance sheet and recommend the action needed to adhere to the Company's internal limits;
11. Balance Sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks;
12. With respect to liquidity risk, decide on the desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and oversee the liquidity positions of all branches;
13. Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the Asset-Liability Management Committee met 2 (Two) times on 8th September 2023 and 20th February 2024.

Corporate Governance Report (Contd.)

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mrs. Vishakha Mulye (Chairperson)	Chief Executive Officer	2	2
Mr. P. H. Ravikumar (Member)	Independent	2	2
Dr. Santrupt Misra (Ceased to be a member w.e.f. 18 th August 2023)	Non-Executive Non-Independent	0	0
Mr. Sushil Agarwal (Member)	Non-Executive Non-Independent	2	2
Mrs. Pinky Mehta (Member)	Chief Financial Officer	2	1
Ms. Sanchita Mustaphy (Member)	Chief Risk Officer	2	2

The Company Secretary acts as the Secretary to the Committee.

8. IT Strategy Committee

The IT Strategy Committee has been constituted pursuant to Reserve Bank of India Master Direction on Information Technology Framework for the NBFC Sector read with RBI Master Directions, as amended.

The terms of reference of the IT Strategy Committee include:

- Establishment of the Information Security Management System (ISMS) objectives;
 - Reviewing and approving the Company's Information Technology and Cyber Security Policy, Privacy Policy and Business Continuity Policy;
 - Demonstrating Management support for relevant initiatives on the above subject area;
 - Reviewing major information and Cyber security, Business continuity and Privacy incidents; and
 - Reviewing if any significant risk to be reported to the Board.
 - Reviewing and approving the Information Technology ("IT") strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
 - Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
 - Monitoring the method that management uses to determine the IT resources and roles and responsibilities needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
 - Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and control constituting an effective governance mechanism and risk management processes for all outsourced IT operations.
 - Carrying out / performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

Meetings, Composition and Attendance during the financial year under review

During the financial year under review, the IT Strategy Committee met 2 (Two) times on 25th August 2023 and 20th February 2024.

The composition and attendance at the Meetings were as under:

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. P. H. Ravikumar (Chairperson)	Independent Director	2	2
Mrs. Vijayalakshmi Iyer (Member)	Independent Director	2	2
Mrs. Vishakha Mulye (Member)	Chief Executive Officer	2	2
Ms. Sanchita Mustaphy (Member)	Chief Risk Officer	2	2
Mrs. Pinky Mehta (Member)	Chief Financial Officer	2	2
Mr. Mukesh Malik (Member)	Chief Operating Officer	2	0
Mr. Subhro Bhaduri (Member)	Chief Human Resources Officer	2	0
Mr. Amber Gupta (Member)	Company Secretary	2	2
Mr. Makesh Chandramohan (Member)	Chief Information and Security Officer	2	2
Mr. Ramesh Narayanaswamy (Member)	Chief Technology Officer	2	2



Corporate Governance Report (Contd.)

The IT Strategy Committee has further constituted an IT Steering Committee, an execution level Committee, comprising of Chief Technology Officer of the Company and its Subsidiaries. The IT Steering Committee meets on a quarterly basis and the decisions and actions, if any, taken by it are reported to the IT Strategy Committee at its subsequent meetings.

9. Asset Monetization Committee

An Asset Monetization Committee was reconstituted by the Board of Directors of the Company at its Meeting held on 11th March 2024 inter-alia to finalize the various options for the sale of shares of Aditya Birla Sun Life AMC Limited ("ABSLAMC") held by the Company to achieve minimum public shareholding in ABSLAMC.

During the financial year under review, the Asset Monetization Committee met 1 (One) time on 18th March 2024.

Name and position held in the Committee	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. P. H. Ravikumar (Chairperson)	Independent Director	1	0
Mr. Arun Kumar Adhikari (Member)	Independent Director	1	1
Mr. Sushil Agarwal (Member)	Non-Executive Director	1	1

Mrs. Vishakha Mulye, Chief Executive Officer of the Company, is a permanent invitee to the Meetings of Asset Monetization Committee.

The Company Secretary acts as the Secretary to the Committee.

III. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations and other applicable provisions, the Company has formulated a Whistle Blower Policy. The Whistle Blower Policy / Vigil mechanism provides a mechanism for Directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimisation of those who avail the mechanism and

direct access to the Chairperson of the Audit Committee is provided to them. During the financial year under review, no person was denied access to the Audit Committee. The Policy is in line with the Company's Code of Conduct, Vision and Values and is available on your Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-codes>.

IV. SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements/results of the Company and investments made by its unlisted Subsidiaries. The minutes of the Board Meetings of the unlisted Subsidiaries as applicable are periodically placed before the Board. The Management of all the unlisted Subsidiaries periodically brings to the notice of the Board, a statement of all significant transactions and arrangements entered into by the unlisted Subsidiaries as applicable. As per the definition of "Material Subsidiary" under Regulation 16 of SEBI Listing Regulations, Aditya Birla Sun Life Insurance Company Limited and Aditya Birla Finance Limited and Aditya Birla Housing Finance Limited, are the material Subsidiaries of the Company.

The Company has formulated a "Policy for determining material Subsidiary Companies" of the Company and has complied with all the obligations relating to its material Subsidiaries under SEBI Listing Regulations. This policy is available on your Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-codes>.

Further in accordance with Regulation 24(1) of the SEBI Listing Regulations, Mr. Arun Adhikari, Independent Director of the Company is an Independent Director on the Board of Aditya Birla Sun Life Insurance Company Limited and Mr. S. C. Bhargava, Independent Director of the Company is an Independent Director on the Board of Aditya Birla Finance Limited. In compliance with the SEBI Listing Regulations, this policy shall be reviewed by the Board at least once every three years.

The material subsidiaries (Debt Listed) of the Company have undertaken Secretarial Audit and have annexed the Secretarial Audit Report in their respective Annual Report.

V. OTHER DISCLOSURES

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter relating to capital markets, during the last three years

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no strictures /penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any other Statutory Authority.

Related Party Transactions

During the financial year under review, your Company had entered into related party transactions which were on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations. All related party transactions were approved by the Audit Committee of your Company.

No material transaction has been entered into by the Company with its related parties that may have a potential conflict with interests of the Company.

Particulars of related party transactions are listed out under the notes to the financial statements forming part of this Annual Report.

Pursuant to regulation 23(9) of SEBI Listing Regulations, the Company has also submitted Related Party Transactions to the stock exchanges on half yearly basis.

The policy on Related Party Transactions is available on your Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-codes>.

Disclosure of accounting treatment

Your Company has followed all the applicable Accounting Standards while preparing the financial statements.

Management Discussion and Analysis

The Management Discussion and Analysis forms part of this Annual Report and is in accordance with the requirements laid out in Regulation 34(2)(e) of SEBI Listing Regulations.

Proceeds from Public Issues, Right Issues, Private Placement, Preferential Issues etc.

The Company had issued equity share capital through Preferential Issuance of 7,57,11,688 equity shares of face value ₹ 10/- each at a price of ₹165.10 per equity share (including share premium of ₹155.10 per equity share), to its Promoter and a member of Promoter Group on 26th June 2023 and through Qualified Institutional Placement (QIP) of 10,00,00,000 equity shares of face value ₹ 10/- each at a price of ₹175.00 per equity share (including share premium of ₹165.00 per equity share), to Qualified Institutional Buyers on 30th June 2023, both aggregating to ₹3,000 Crore. The amount raised is being utilised for meeting funding requirements and growth objectives of the Company including augmentation of the capital base, improving solvency margin, leverage ratio and meeting growth and funding requirements based on the business opportunities across the subsidiaries/associates /joint ventures of the Company, as applicable engaged in the businesses of non-banking finance, housing finance, life insurance, health insurance, asset reconstruction, payments and distribution business and to make investments in technology, IT infrastructure and digital offering platforms, through investment in subsidiaries/associates/joint ventures of the Company, as applicable, by way of debt or equity, or any other instrument or a combination thereof, in such a manner and proportion as may be decided by the Board from time to time, in accordance with the applicable laws.

As on 31st March 2024, the proceeds from QIP were fully utilised by the Company. The unutilised proceeds from the preferential Issuance as on 31st March 2024 were ₹ 1,128.63 Crore.

The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from public issues, private placement, preferential allotment or qualified institutions placement of Equity Shares, etc., if any, as part of quarterly review of financial results and the details are also filed with the Stock Exchanges on a quarterly basis, as applicable, pursuant to Regulation 32 of the SEBI Listing Regulations.

Remuneration of Directors

Directors are paid sitting fees of ₹ 1,00,000/- for each Meeting of the Board, ₹ 75,000/- for each Meeting of the Audit Committee and ₹ 50,000/- for each Meeting of other Committees. Your Company does not pay commission to the Directors of the Company.



Corporate Governance Report (Contd.)

Further, the Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending the Meetings.

Details of shareholding of the Directors and the sitting fees paid to the Independent Directors for attending the Meetings of Board and the Board Committees during the financial year under review were as follows:

Amount in ₹		
Name of the Director	No. of Shares held	Sitting Fees Paid (₹)
Mr. Kumar Mangalam Birla	1,77,398*	4,50,000
Dr. Santrupt Misra	-	8,00,000
Mr. Sushil Agarwal	2,89,160*	12,25,000
Mr. Arun Adhikari	-	11,50,000
Mr. P. H. Ravikumar	1,407	13,25,000
Mr. S. C. Bhargava	-	15,25,000
Mrs. Vijayalakshmi Iyer	2,000	19,25,000
Mr. Romesh Sobti	-	5,50,000

* including shares held as a Karta of HUF

There were no pecuniary relationships or significant material transactions between your Company and Non-Executive Directors during the financial year under review.

LOANS AND ADVANCES

The Company being a Core Investment Company ("CIC") registered with RBI, is in the business of making investments and providing loans to its Subsidiaries and/ or Group companies, particulars of which are listed out under the notes to accounts to the financial statements forming part of this Annual Report. Apart from the aforesaid, no loans and advances were given to firms / companies in which any of the Directors are interested.

CEO / CFO CERTIFICATION

Mrs. Vishakha Mulye, Chief Executive Officer of the Company and Mrs. Pinky Mehta, Chief Financial Officer of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, for Financial Year 2023-24 which was placed before the Board at its Meeting held on 13th May 2024, and the same forms part of this Annual Report.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations.

DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY (DEBT LISTED)

Name of the material subsidiary	Aditya Birla Finance Limited	Aditya Birla Sun Life Insurance Limited	Aditya Birla Housing Finance Limited
Date and place of incorporation	28 th August 1991 Mumbai, Maharashtra	4 th August 2000 Maharashtra	27 th July 2009 Veraval, Gujrat
Name and date of appointment of the statutory auditors	Joint Statutory Auditors: 1. MSKA & Associates - 16 th August 2023 2. M/s. Singhi & Co. - 16 th December 2021	Joint Statutory Auditor: 1. M/s. Haribhakti & Co. LLP - 4 th July 2019 2. M/s. S.B. Billimoria & Co. LLP - 25 th August 2020	M/s. KKC & Associates LLP 2 nd August 2021

With effect from 24th August 2023, Aditya Birla Sun Life AMC Limited has ceased to be a Material Subsidiary of the Company as per Regulation 16(1)(c) of the SEBI Listing Regulations.

ARCHIVAL POLICY FOR WEBSITE CONTENT

In terms of Regulation 30 of the SEBI Listing Regulations, the Company has formulated a policy on maintaining and preserving timely and accurate records uploaded on the website of the Company. The same is available on the website of your Company at <https://www.adityabirlacapital.com/investor-relations/policies-and-codes>.

COMPLIANCE CERTIFICATE

Compliance Certificate from N L Bhatia & Associates, Practising Company Secretaries (UIN: P1996MH055800), confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V (E) of the SEBI Listing Regulations forms part of this Annual Report.

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT

The details of the Director seeking re-appointment is provided in the Notice of the 17th Annual General Meeting.

GENERAL BODY MEETINGS

During the preceding three years, the Company's Annual General Meetings ("AGMs") were held as under:

Date, time and venue of the AGMs:

Year	Date	Time	Venue	Particulars of Special Resolution(s) passed
2020-21	20 th August 2021	11:00 A.M.	Through Video Conferencing / Other Audio Visual means	Refer Note(a)
2021-22	26 th August 2022	11:00 A.M.	Through Video Conferencing / Other Audio Visual means	-
2022-23	18 th August 2023	11:00 A.M.	Through Video Conferencing / Other Audio Visual means	-

Notes:

(a)

1. Re-appointment of Mrs. Vijayalakshmi Iyer (DIN: 05242960) as an Independent Director for a second term of five years from 26th June 2022 to 25th June 2027;
2. Re-appointment of Mr. Arun Kumar Adhikari (DIN: 00591057) as an Independent Director for a second term of five years from 26th June 2022 to 25th June 2027;
3. Re-appointment of Mr. P. H. Ravikumar (DIN: 00280010) as an Independent Director for a second term of five years from 26th June 2022 to 25th June 2027; and
4. Re-appointment of Mr. S. C. Bhargava (DIN: 00020021) as an Independent Director for a second term of three years from 1st September 2021 to 31st August 2024.

On 24th June 2023, Extra-Ordinary General Meeting of the Company was held through Video Conferencing / Other Audio Visual means for transacting following special businesses:

- Issuance of equity shares on a preferential basis for an aggregate consideration not exceeding ₹ 1,250 Crore
- Issuance of securities for an aggregate consideration not exceeding ₹ 1,750 Crore

Postal Ballot:

No resolution was passed through postal ballot during the year under review. Further, no Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

Quarterly Results

The Company's quarterly/ half yearly/ annual financial results are submitted to the Stock Exchanges and published in Business Standard (all editions), and Sandesh (Rajkot edition, Gujarat).

Further, the quarterly/ half yearly/ annual financial results are approved by the Board and the result presentations are sent via e-mail to the Members whose email address is registered with the Company and are also simultaneously made available on Company's website at <https://www.adityabirlacapital.com/investor-relations/quarterly-results>.

In addition to the above, after announcement of results, the Company holds conference calls with investors/ analysts. The transcript of the said conference calls is uploaded on the Company's website at <https://www.adityabirlacapital.com/investor-relations/quarterlyresults>.

Website Disclosure

The Company's website contains a separate section namely "Investor Relations" at <https://www.adityabirlacapital.com/investor-relations> where shareholders' related information is available and Members can access information as required to be disseminated on the website of the Company pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Whether it also displays official news releases	Yes
Presentations made to investors/ analysts	Yes
Shareholders' Information:	Published as a separate section in this report

NSE Electronic Application Processing System (NEAPS), NSE Digital Exchange platform and BSE Portal for Electronic filing

Apart from the financial results, shareholding pattern and quarterly report on Corporate Governance, other intimations/ disclosures required to be made to the Stock Exchanges are electronically filed.

Adoption of Mandatory and Discretionary Requirements

During the financial year under review, the Company complied with all the mandatory requirements of Regulation 34 of the SEBI Listing Regulations.



Corporate Governance Report (Contd.)

The Company complied with the following discretionary requirements of the SEBI Listing Regulations:

1. For the Financial Year 2023-24, the Company's financial statements are with unmodified audit opinion.
2. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer.

Other Disclosures:

1. At the 14th (Fourteenth) AGM held on 20th August 2021, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) ("B S R & Co.") were appointed as Statutory Auditors in place of Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm Registration No.:117366W/W-100018) ("Deloitte") for a term of 3 (Three) years from the conclusion of 14th (Fourteenth) AGM till the conclusion of 17th (Seventeenth) AGM of the Company.

Consequent to the completion of term of Statutory Auditors (B S R & Co. LLP, Chartered Accountants), the Board of Directors, based on the recommendation of the Audit Committee, at their meeting held on 13th May 2024, have recommended the appointment of M. M. Nissim & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 107122W/W100672) as Statutory Auditor of the Company for a term of 3 (Three) years from the conclusion of 17th (Seventeenth) AGM till the conclusion of 20th (Twentieth) AGM of the Company for the approval of shareholders of the Company in the forthcoming AGM.

For FY23-24, total consolidated fees of ₹ 3.57 Crore was paid to B S R & Co. and all entities in the network firm / network entity of which the Statutory Auditors were a part of for all the services rendered to the Company and its Subsidiaries.

2. During the financial year under review, there were no complaints filed, disposed or pending as at the end of financial year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
3. A certificate from N L Bhatia & Associates , Practicing Company Secretaries (UIN: P1996MH055800), has been received stating / confirming that none of the Directors on the Board of the Company has been debarred or disqualified

from being appointed or continuing as Directors of the Company by SEBI/ MCA or any such statutory authority as on 31st March 2024 and is attached as a part of this report.

DETAILS OF COMPLIANCE WITH MASTER DIRECTIONS - CORE INVESTMENT COMPANIES (RESERVE BANK) DIRECTIONS, 2016 AND MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023

Policies adopted:

Pursuant to the RBI Master Direction – Risk Based Internal Audit issued vide circular no. RBI/2020-21/88 Ref.No.DoS.CO.PPG./SEC.05/11.01.005/2020-21 dated 3rd February 2021, the Company has adopted the Policy on Risk Based Internal Audit.

Pursuant to RBI guidelines on 'Scale Based Regulation' (SBR): A Revised Regulatory Framework for NBFCs issued vide Circular No. RBI/2021-22/112 Ref.DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October 2021, the Company has adopted Internal Capital Adequacy Assessment Process (ICAAP) Policy.

Pursuant to the RBI circular No. RBI/2022-23/24 Ref .DoS.CO.PPG./SEC.01/11.01.005/ 2022-23 dated 11th April 2022 read with RBI guidelines on 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' issued vide Circular No. RBI/2021-22/112 Ref.DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October 2021 ("SBR Framework"), the Company has adopted Compliance Policy.

Pursuant to the RBI circular no. RBI/2023-24/102 Ref. DoS.CO.CSITEG/SEC.1/31.01.015/ 2023-24 dated 10th April 2023, the Company has adopted IT Outsourcing Policy.

Pursuant to the RBI guidelines on compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs issued vide circular no. RBI/2022-23/36 DOR.GOV.REC.No.29/18.10.002/2022-23 dated 29th April 2022, the Company has adopted the revised Executive Remuneration Philosophy/ Policy.

The Board of Directors has adopted a Risk Management Policy and reviews the risk management system periodically as applicable .

Liquidity Risk Management Framework

The Company has adopted a Liquidity Risk Management Framework and is in adherence to the liquidity risk management guidelines stipulated by the Reserve Bank of India ("RBI"). The disclosure on liquidity risk, on a quarterly basis, is also uploaded on the website of the Company at <https://www.adityabirlacapital.com/investor-relations/shareholder-centre> and details of the same are separately disclosed in the notes to the financial statements forming part of this Annual Report.

Other Disclosures:

- The Company has in place a functional website and the details required to be uploaded on the website as per RBI Master Directions have been duly uploaded.
- The Company has put in place a policy on the fit and proper criteria including process of due diligence at the time of appointment / renewal of appointment of the Directors.
- Necessary information and declaration/ undertaking from the proposed / existing directors have been obtained, which have also been scrutinized by the Nomination, Remuneration and Compensation Committee and were also placed before the Board.
- The Company has obtained a Deed of Covenants signed by the Directors, in the format specified under RBI Master Directions. Declaration from the Directors that the information already provided has not undergone change and where there is any change, requisite details are furnished by them forthwith has been also obtained.
- A Quarterly statement on change of directors, and a certificate from the Chief Executive Officer on fit and proper criteria in selection of the Directors along with Statutory Auditor certificate was filed for the quarter ended 31st March 2024.
- The Company has appointed a Chief Risk Officer with clearly specified roles and responsibilities. The Company has also appointed Head of Internal Audit (Chief Audit Officer) and Chief Compliance Officer.
- The Company is in compliance with all requirements applicable to Middle layer NBFC as per RBI circular on Scale Based Regulations for NBFCs.
- The Company is in conformity with corporate governance standards viz., in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc as disclosed in this report.
- The Company is in compliance with the requirements arising out of the Master Direction - Information Technology Framework for the NBFC Sector issued by RBI and has constituted an IT Strategy Committee. The Company has adopted an IT Policy and Cyber-security Policy and undertaken a comprehensive risk assessment of IT systems and Information systems audit was conducted by an independent auditor for the financial year under review.
- The Company has not accepted public deposit during the year.
- Relevant disclosures as applicable under the RBI Master Directions have been made in the Annual Financial Statements for the financial year ended 31st March 2024.
- No penalties have been imposed by RBI and other regulators including strictures or directions on the basis of inspection reports or other adverse findings. Further, there were no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.
- Statutory Auditors have not expressed any modified opinion(s) or other reservation(s) in their audit report/ limited review report in respect of the financial results.



Shareholder's Information

1. Annual General Meeting

Date and Time	: Friday, 16 th August 2024 at 11:00 A.M.
Venue	: Meeting is being conducted through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") pursuant to the MCA Circular No. 09/2023 dated 25 th September 2023 read with circular nos. 14/2020 dated 8 th April 2020, 17/2020 dated 13 th April 2020 and 20/2020 dated 5 th May 2020 and Securities Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 th October 2023 read with SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated 12 th May 2020 issued in this regard. Please refer to the Notice of this AGM for more details. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Director seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.
Participation through VC/OAVM for Annual General Meeting ('AGM')/ Webcast and transcripts	: https://emeetings.kfintech.com

2. Financial Calendar for Reporting

Financial year of the Company	: 1 st April to 31 st March
For the quarter ending 30 th June, 2024	: On or before 10 th August 2024*
For the quarter ending 30 th September, 2024	: On or before 10 th November 2024*
For the quarter ending 31 st December, 2024	: On or before 10 th February 2025*
For the quarter/ year ending 31 st March, 2025	: On or before 15 th May 2025*
18 th Annual General Meeting for the year ended 31 st March 2025	: On or before 31 st August 2025

* Tentative dates

3. Dividend Payment Date

: Not Applicable

4. Registered Office

: Indian Rayon Compound,
Veraval – 362 266, Gujarat, India
Phone: +91 2876 243 257
Email: abc.secretarial@adityabirlacapital.com
Website: www.adityabirlacapital.com
CIN: L67120GJ2007PLC058890

5. (a) Listing Detail

Equity Shares	Global Depository Shares (GDSs)
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001	Luxembourg Stock Exchange ('LSE') Societe de la Bourse de Luxembourg P. O. Box 165, L-2011 Luxembourg, Grand Duchy of Luxembourg, Europe
National Stock Exchange of India Limited ('NSE') Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051	

Annual Listing fees for the financial year has been paid to all the Stock Exchanges and no amount is outstanding.

(b) Overseas Depository for GDSs

: Citibank N.A.
Depository Receipt Services
390 Greenwich Street, 4th Floor, New York, NY-10013
Tel: +1 212.723.4483;
Fax: +1 212.723.8023

(c) Domestic Custodian of GDSs

: Citibank N.A. Custodial Services
 FIFC, 9th Floor, C 54 & 55, G Block, Bandra Kurla Complex,
 Bandra (East), Mumbai-400 098
 Tel.: +91-22-61757532/6992;
 Fax: 000.800.0404096 / 000.800.0404124

6. Stock Code

: Equity Shares - ISIN INE674K01013
 : Global Depository Shares- ISIN US007.026.1070

Stock Exchanges	Stock Code	Reuters	Bloomberg
BSE Limited	540691	ADTB.BO	-
National Stock Exchange of India Limited	ABCAPITAL	ADTB.NS	ABCAP:IN
Luxembourg Stock Exchange	-	ABCLY	ABCLY:US

7. Stock Price Data

Year/ Month	BSE Limited			National Stock Exchange of India Limited			Luxembourg Stock Exchange		
	High	Low	Close	High	Low	Close	High	Low	Close
	(In ₹)			(In ₹)			(In US\$)		
Apr-'23	168.20	152.00	167.10	168.20	152.00	167.20	2.04	1.85	2.04
May-'23	175.25	157.55	170.15	175.30	157.45	170.30	2.14	1.96	2.06
Jun-'23	196.85	167.40	196.35	196.90	167.35	196.30	2.40	2.04	2.40
July-'23	199.40	181.50	195.70	199.30	181.40	195.80	2.40	2.22	2.38
Aug-'23	197.10	178.35	181.60	196.95	178.30	181.15	2.38	2.16	2.20
Sep-'23	192.70	173.40	179.95	192.45	173.45	179.95	2.30	2.10	2.16
Oct-'23	185.20	166.85	172.50	185.25	166.70	172.45	2.22	2.04	2.08
Nov-'23	182.85	167.50	168.20	182.90	167.20	168.00	2.20	2.02	2.02
Dec-'23	175.40	155.00	166.35	175.40	155.00	166.40	2.08	1.89	2.00
Jan-'24	182.00	160.65	170.95	182.00	160.65	171.10	2.18	1.97	2.06
Feb-'24	193.80	163.30	183.85	193.75	163.35	183.65	2.30	1.98	2.22
Mar-'24	194.40	165.75	175.35	194.40	165.90	175.40	2.32	2.04	2.10



Corporate Governance Report (Contd.)

8. Indexed Stock Performance:

Performance of Price of Equity Share of the Company in comparison to the BSE, Sensex and Nifty



In case the securities are suspended from trading, the Board's Report shall explain the reason thereof: Not Applicable

9. Registrar and Share Transfer Agent (RTA) & Investor Correspondence

Investor can contact the RTA of the Company for service request relating to transmission, change of address, KYC updation etc. The contact details of RTA are as under:

Name	KFin Technologies Limited
Address for correspondence	Selenium Building, Tower-B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032
Email ID	einward.ris@kfintech.com
Toll Free/ Phone Number	1800.309.4001
WhatsApp Number	(+91) 910.009.4099
KPRISM (Mobile Application)	https://kprism.kfintech.com/
KFINTECH Corporate Website	https://www.kfintech.com
RTA Website	https://ris.kfintech.com

10. Share Transfer System

: In terms of Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, transfer, transmission and transposition of securities shall be effected in dematerialised form only.

Shareholders holding equity shares of the Company in physical form are requested to kindly get their equity shares converted in dematerialised form as Trading in shares of your Company is permitted only dematerialised form.

More details about the system and procedures are covered below under section "Other useful information for the shareholders".

11. Investor Complaints details:

Nature of Complaints	2023-24			2022-23		
	Received	Redressed	Pending	Received	Redressed	Pending
Complaints relating to Transfer, Transmission, Demat, Non-Receipt of Shares on amalgamation / demerger, Non-Receipt of Annual Report etc.	29	28	1*	42	41	1

* Pending investor complaint as on 31st March 2024 was resolved subsequently.

12. Distribution of Shareholding as on 31st March 2024:

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1-500	4,44,899	85.77	4,66,55,825	1.79
501- 1000	35,133	6.77	2,70,37,437	1.04
1001- 2000	20,827	4.02	3,04,06,688	1.17
2001- 3000	6,556	1.26	1,64,84,976	0.63
3001- 4000	2,964	0.57	1,05,21,748	0.40
4001- 5000	2,157	0.42	1,00,20,255	0.39
5001- 10000	3,511	0.68	2,51,01,404	0.97
10001 & Above	2,667	0.51	2,43,37,93,551	93.61
Total	5,18,714	100.00	2,60,00,21,884	100.00

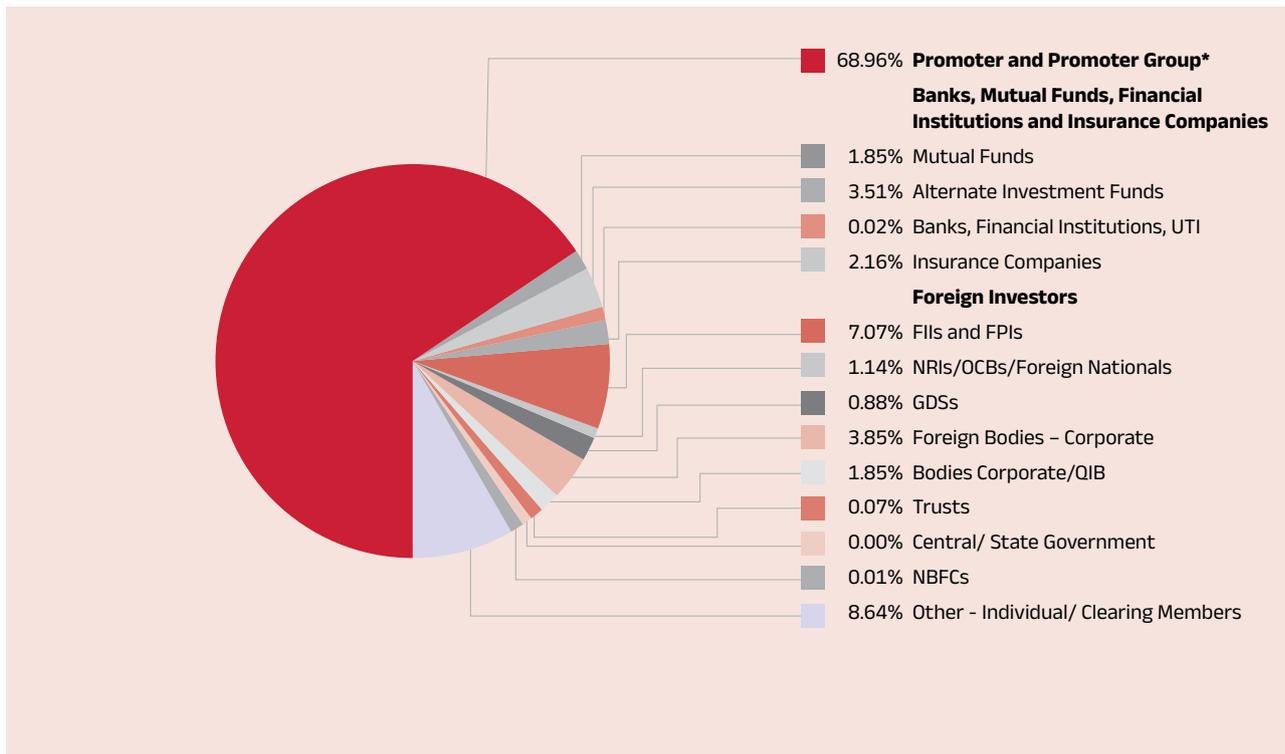


Corporate Governance Report (Contd.)

13. Categories of Shareholding as on 31st March 2024:

Category of Shareholders	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Promoter and Promoter Group*	25	0.00	1,79,30,54,883	68.96
Banks, Mutual Funds, Financial Institutions and Insurance Companies				
Mutual Funds	52	0.01	4,80,44,319	1.85
Alternate Investment Funds	8	0.00	9,12,81,229	3.51
Banks, Financial Institutions, UTI	129	0.03	6,19,696	0.02
Insurance Companies	17	0.00	5,60,60,611	2.16
Foreign Investors				
FII and FPIs	191	0.04	18,37,06,996	7.07
NRIs/OCBs/Foreign Nationals	9,279	1.84	2,97,13,965	1.14
GDSs	1	0.00	2,28,80,203	0.88
Foreign Bodies – Corporate	1	0.00	10,00,00,000	3.85
Bodies Corporate/QIB	2,248	0.45	4,80,76,939	1.85
Trusts	38	0.01	17,14,649	0.07
Central/ State Government	7	0.00	15,591	0.00
NBFCs	6	0.00	1,54,967	0.01
Other - Individual/ Clearing Members	4,91,840	97.62	22,46,97,836	8.64
Total	5,03,842	100.00	2,60,00,21,884	100.00

* Includes 3,36,16,128 (1.29%) GDSs held by 5 Promoter Group entities.



14. Dematerialisation of Shares

The Equity Shares of the Company are available for trading in the dematerialised form under both the Depositories viz. National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”). The entire Promoter and Promoter Group holdings are in dematerialised form and the same is in compliance with the SEBI directions.

99.00% of equity shares have been dematerialised as on 31st March 2024.

• Shares held in Demat mode in NSDL	:	93.79%
• Shares held in Demat mode in CDSL	:	5.21%
• Shares held in Physical mode	:	1.00%
Total	:	100.00%

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company’s shares is INE674K01013.

- 15. Details on use of public funds obtained in the last three years** : The Company had issued and allotted equity share capital through Preferential Issuance of 7,57,11,688 equity shares of face value ₹ 10/- each at a price of ₹165.10 per equity share (including share premium of ₹155.10 per equity share), to its Promoter and a member of Promoter Group on 26th June 2023 and through Qualified Institutional Placement (QIP) of 10,00,00,000 equity shares of face value ₹ 10/- each at a price of ₹175.00 per equity share (including share premium of ₹165.00 per equity share), to Qualified Institutional Buyers on 30th June 2023, both aggregating to ₹ 3,000 Crore. The amount raised is being utilised for meeting funding requirements and growth objectives of the Company including augmentation of the capital base, improving solvency margin, leverage ratio and meeting growth and funding requirements based on the business opportunities across the subsidiaries/associates /joint ventures of the Company, as applicable engaged in the businesses of non-banking finance, housing finance, life insurance, health insurance, asset reconstruction, payments and distribution business and to make investments in technology, IT infrastructure and digital offering platforms, through investment in subsidiaries/associates/joint ventures of the Company, as applicable, by way of debt or equity, or any other instrument or a combination thereof, in such a manner and proportion as may be decided by the Board from time to time, in accordance with the applicable laws.

As on 31st March 2024, the proceeds from QIP were fully utilised by the Company. The unutilised proceeds from the preferential Issuance as on 31st March 2024 were ₹ 1128.63 Crore.

- 16. Outstanding GDSs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on Equity** : There were 5,64,96,331 outstanding GDSs as on 31st March 2024. Each GDS represents one underlying Equity Share. There are no ADRs, Warrants/Convertible Bonds outstanding as at the year end.

- 17. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities** : The Company does not have any exposure to commodity price risks and foreign exchange risk.

- 18. Credit Rating** : ICRA Ltd. has assigned a rating of “[ICRA] A1+” and CRISIL Ratings has as-signed “CRISIL A1+” for the Commercial Paper Programme of the Company for an amount of ₹ 900 Crore (Rupees Nine Hundred Crore only) and have reaffirmed the ratings from time to time. Further, ICRA Ltd. has assigned a [ICRA]AAA (pronounced as ICRA triple A) (stable) rating for the proposed ₹ 200 Crore (Rupees Two Hundred Crore only) Non-Convertible Debenture (NCD) Programme of the Company and reaffirmed the ratings from time to time.



Corporate Governance Report (Contd.)

19. Other useful information for the shareholders:**Share Transfer/ Transmission/ Transposition/ Dematerialisation**

Securities and Exchange Board of India ("SEBI"), effective 1st April 2019, disallowed physical transfer of shares of listed companies and mandated transfers of equity shares in electronic form only. Members holding shares in physical form are requested to convert their holdings to dematerialised form.

In terms of SEBI circular dated 25th January 2022, all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/ splitting/ consolidation of certificate, transmission and transposition which were allowed in physical form shall now be processed in dematerialised form only. Further, in lieu of physical share certificate, a Letter of Confirmation (LOC) carrying all details of shares will be issued by KFin as per SEBI Circular while processing any of the aforesaid investor service requests which shall be valid for a period of 120 days from the date of its issuance. A reminder shall be sent after the end of 45 days and 90 days from the date of issuance of LOC, informing the securities holder/ claimant to submit the demat request.

In case the securities holder/claimant fails to submit the demat request within the aforesaid period of 120 days, the securities shall be credited into the Suspense Escrow Demat Account of the Company.

Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4 (Form for various service requests), the format of which is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/shareholder-centre>

Members can write to KFin at e-mail ID einward.ris@kfintech.com for more details.

Common and simplified norms for investor service request

Securities and Exchange Board of India ("SEBI") has made furnishing of PAN, KYC and Nomination details mandatory by the investors holding shares in physical forms.

Members are advised to ensure that KYC details i.e PAN, Postal Address with PIN, Mobile Number, Bank Account details, E-mail id and Nomination details are duly updated.

Shareholders are requested to update/ intimate changes, if any, pertaining to their PAN, postal address, e-mail address, telephone/ mobile numbers, with necessary documentary evidence, to the Company/ KFin, in Form ISR- 1 if shares are held in physical mode or to their Depository Participant ("DP"), if the holding is in electronic mode. The said Form ISR-1 for change / updation of details, Form ISR-2 for bankers attestation of signature in case of major mismatch and Form ISR-3 for declaration for opting out of nomination are available for download from the weblink <https://www.adityabirlacapital.com/investor-relations/shareholder-centre> or <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

The Company had sent letters along with copies of the relevant forms to all physical Shareholders at their registered postal address to furnish the details. The said requirement was also communicated by sending emails to the Shareholders who have registered their email id.

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- i) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- ii) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFin Technologies Limited
Address	Unit: Aditya Birla Capital Limited Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

- iii) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Name	KFin Technologies Limited
Address	Unit: Aditya Birla Capital Limited Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

Nomination

Section 72 of the Act, extends nomination facility to individuals holding shares in physical form. Members, in particular, those holding shares in single name, may avail the above facility by furnishing the particulars of their nomination in the nomination form (Form SH-13), or may opt out of nomination in Form ISR-3, which can be downloaded from the Company's website through the weblink at <https://www.adityabirlacapital.com/investor-relations/shareholder-centre> Shareholders holding shares in demat mode should file their nomination with their DPs for availing this facility.

Permanent Account Number and Aadhaar

Shareholders who hold shares in physical form are advised that SEBI has made it mandatory for all holders and claimants of physical securities to furnish PAN. Further, SEBI has also made compulsory linking of PAN and Aadhaar by all shareholders in physical mode. Members are advised to link their Pan and Aadhar and furnish the same for any investor service request.

Registering of E-mail Address

Members who have not yet registered their e-mail address for availing the facility of e-communication, are requested to register the same with the Company/ KFin or their DPs for easier and faster correspondence.

Members can register their email id by sending duly filled Form ISR-1 to the Company/KFin which can be downloaded from the weblink <https://www.adityabirlacapital.com/investor-relations/shareholder-centre> or <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

Dispute Resolution Mechanism

SEBI has vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under Stock Exchanges Arbitration Mechanism, for dispute redressal between the Listed Company / Registrar and Share Transfer Agents (RTA) and its shareholder(s) / investor(s).

The Arbitration Mechanism shall be initiated post exhausting all actions for resolution of complaints including those received through SEBI SCORES Portal.

Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023, the Company has also registered on Smart Online Dispute Resolution (ODR) portal which can be accessed through the weblink <https://smartodr.in/login>

Loss of Shares

In case of loss/misplacement of shares, investors are requested to immediately inform the same by writing a letter addressed to KFin at e-mail ID einward.ris@kfintech.com along with the proof of holding.

Members can write to KFin at e-mail ID einward.ris@kfintech.com for more details.

Non-Resident Shareholders

Non-resident members are requested to immediately notify the following to KFin in respect of shares held in physical form by sending duly filled and signed ISR forms and to their DPs in respect of shares held in dematerialised form:

- Indian address for sending all communications, if not provided earlier;
- E-mail id and Phone No. (s), if any;
- Change in their residential status on return to India for permanent settlement;
- Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; (Please send a photocopy of cancelled cheque leaf); and
- RBI permission with date to facilitate prompt credit of dividend, if issued by Company in their Bank Accounts.

Equity Shares in Unclaimed Suspense Account

Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides the manner of dealing with the shares issued in physical form pursuant to a public issue or any other issue and which remain unclaimed with the Company. In case your shares are lying unclaimed with the Company, you are requested to claim the same by writing a letter to the Company/ KFin.



Corporate Governance Report (Contd.)

A report in respect of the Equity Shares lying in the Unclaimed Suspense Account as on 31st March 2024 is as under:

Sr. No	Description	Number of Shareholders	Number of Equity Shares
1	Aggregate number of shareholders and the outstanding shares lying in the Un-claimed Suspense Account as at 1 st April 2023	26,404	36,09,511
2	Number of shareholders who have approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	89	23,395
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	89	23,395
4	Aggregate number of shareholders and the outstanding shares lying in the Un-claimed Suspense Account as at 31 st March 2024	26,315	35,86,116

The voting rights on the shares in the suspense account as on 31st March 2024, shall remain frozen till the rightful owners of such shares claim the same.

In view of the above, the Company had sent several reminders to shareholders informing them the status of their shares and asking them to provide documents to claim the undelivered share certificates.

Equity Shares in Suspense Escrow Demat Account

Outstanding shares lying in the Suspense Escrow Demat Account of the Company as at 31st March 2024 is 9,124 equity shares. Shareholders who failed to submit the dematerialisation request within 120 days post issuance of letter of Confirmation can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund

Pursuant to sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), fractional warrants amount on sale of fractional shares, not claimed for a period of 7 years from the date of warrant, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

The details of unclaimed fractional warrant amount which is liable to be transferred to the IEPF Authority, are uploaded on the Company's website at <https://www.adityabirlacapital.com/investor-relations/shareholder-centre>.

Shareholders who have so far not encashed the fractional warrant(s) are requested to make their claim to the RTA.

The fractional amounts once transferred to IEPF can be claimed from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority at <https://www.iepf.gov.in/IEPF/refund.html>.

Company's Website

You are requested to visit the Company's website <https://www.adityabirlacapital.com/investor-relations/shareholder-centre>

- Information on investor services offered by the Company.
- Downloading of various forms/formats, viz., ISR-1, ISR-2, ISR-3, ISR-4, Nomination form SH-13, ECS Mandate form, Indemnity, Affidavits, etc.

Web-based Query Redressal System

Members may utilise the facility extended by the Registrar and Transfer Agent for redressal of queries, by visiting <https://ris.kfintech.com/> and clicking on 'INVESTORS SERVICES' option for query registration through free identity registration process. Investors can submit their query in the 'Investor Support' option provided on the above website, which would generate the grievance registration number through which Members can track the status.

K-PRISM

Members are requested to take note that, KFin provides a secure mobile interface "K-PRISM" through which investors

who utilise the corporate registry services of KFin will now be able to access their application status, download Annual Reports, standard forms, etc and keep track of upcoming General Meetings all on the go, in a hassle free, paper-less process. The mobile application is available for download on the Android Play Store and a desktop version can be accessed at <https://kprism.kfintech.com>. Members can download the mobile application and register themselves (onetime) for availing a host of services viz. consolidated portfolio view serviced by KFin, Dividends status etc., and send requests for change of Address, updation of Mobile number, E-mail address and so on.

Correspondence with the Company

Shareholders/Beneficial Owners are requested to quote their Folio No. /DP ID and Client ID, as the case may be, in all correspondence with KFin Technologies Limited at Hyderabad. All correspondence regarding shares of the Company should be addressed to KFin e-mail ID einward.ris@kfintech.com. KFin has also designated toll free number, i.e. 1800.309.4001 for investor services where they can register their complaints/queries to facilitate speedy and prompt redressal.

Service of Documents in Electronic Form (Green Initiative in Corporate Governance)

In order to conserve paper and the environment, the Ministry of Corporate Affairs ("MCA"), Government of India, has allowed companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Board's Reports, Auditors' Reports, etc., henceforth to their shareholders electronically as a part of its Green Initiative in Corporate Governance.

Shareholders can avail e-communication facility by registering their e-mail address with the Company by sending the request on e-mail to abc.secretarial@adityabirlacapital.com / einward.ris@kfintech.com.

Benefits of registering your e-mail address for availing e-communication:

- it will enable you to receive communication promptly;
- it will avoid loss of documents in postal transit; and
- it will help in eliminating wastage of paper, reduce paper consumption and, in turn, save trees.

Feedback: Members are requested to give us their valuable suggestions for improvement of the investor services to the Corporate Office or Registered Office or via email at abc.secretarial@adityabirlacapital.com.

20. Plant Location:

The Company is engaged in financial services business and does not have any plant.

21. Investor Correspondence:

(i) Registered Office:

Aditya Birla Capital Limited
Indian Rayon Compound,
Veraval - 362 266, Gujarat
Tel: +91 2876 243257
E-mail: abc.secretarial@adityabirlacapital.com

(ii) Corporate Office:

Aditya Birla Capital Limited
One World Centre, Tower I,
18th Floor, Jupiter Mill Compound, 841 Senapati Bapat
Marg, Elphinstone Road, Mumbai- 400 013
Tel: +91 22 6723 9101
E-mail: abc.secretarial@adityabirlacapital.com

(iii) Registrar & Transfer Agent:

KFin Technologies Limited
Unit: Aditya Birla Capital Limited
Selenium Tower B, Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500 032
Tel: +91 40 6716 1630
Toll Free no: 1800.309.4001
E-mail: einward.ris@kfintech.com



Corporate Governance Report (Contd.)

CODE OF CONDUCT DECLARATION

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31st March 2024.

Date: 13th May 2024

Vishakha Mulye
Chief Executive Officer

CEO - CFO CERTIFICATION

To,
The Board of Directors
Aditya Birla Capital Limited

We certify that:

1. We have reviewed the Audited Financial Results of Aditya Birla Capital Limited ("the Company") for the quarter ended 31st March 2024 and to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered by the Company during the quarter ended 31st March 2024, 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 we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. 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 proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee: -
 - i. significant changes in the Company's internal control over financial reporting, if any, during the period ended 31st March 2024;
 - ii. significant changes in accounting policies, if any, during the period have been disclosed in the notes to the Financial Results; and
 - iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Vishakha Mulye
Chief Executive Officer

Pinky Mehta
Chief Financial Officer

Place: Mumbai

Date: 13th May 2024

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Aditya Birla Capital Limited
Indian Rayon Compound
Veraval Gujrat- 362266

We have examined all the relevant records of Aditya Birla Capital Limited ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in Regulation 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 to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from 1st April 2023 to 31st March 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulation 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 Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

We 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 N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
P/R No.: 700/2020

N L Bhatia
Partner
FCS: 1176
COP. No.: 422
UDIN: F001176F000356102

Date: 13th May 2024
Place: Mumbai



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para-C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Aditya Birla Capital Limited
Indian Rayon Compound
Veraval Gujrat- 362266

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aditya Birla Capital Limited having L67120GJ2007PLC058890 and having registered office Indian Rayon Compound, Veraval Gujrat – 362266 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Kumar Mangalam Birla	00012813	26 th October 2017
2.	Mr. Subhash Chandra Bhargava	00020021	1 st September 2016
3.	Mr. Sushil Agarwal	00060017	26 th October 2017
4.	Mr. Hayagreeva Ravikumar Puranam	00280010	26 th June 2017
5.	Mr. Arun Adhikari Kumar	00591057	26 th June 2017
6.	Mrs. Vijayalakshmi Iyer	05242960	26 th June 2017
7.	Mr. Romesh Sobti	00031034	14 th January 2021
8.	Dr. Santrupt Misra*	00013625	26 th October 2017

* Dr. Santrupt Misra (DIN 00013625) ceased to be a Director of the Company with effect from 18th August 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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 **N L Bhatia & Associates**
Practising Company Secretaries
UIN: P1996MH055800
P/R No.: 700/2020

N L Bhatia
Partner
FCS: 1176

COP. No.: 422

UDIN: F001176F000356168

Date: 13th May 2024
Place: Mumbai

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L67120GJ2007PLC058890
2.	Name of the Listed Entity	Aditya Birla Capital Limited
3.	Year of incorporation	2007
4.	Registered office address	Indian Rayon Compound, Veraval – 362266, Gujarat
5.	Corporate address	18 th Floor, One World Centre, Jupiter Mills Compound, 841, Senapati Bapat, Mumbai – 400013, Maharashtra
6.	E-mail	abc.secretarial@adityabirlacapital.com
7.	Telephone	+91 22 4356 7111
8.	Website	https://www.adityabirlacapital.com/
9.	Financial year for which reporting is being done	2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited and Luxembourg Stock Exchange (GDRs)
11.	Paid-up Capital	₹ 26,00,02,18,840
12.	Contact Person	
	Name of the Person	Mr. Vijay Deshwal, Chief Strategy Officer and Head Investor Relations
	Telephone	+91 22 4356 7111
	Email address	vijay.deshwal@adityabirlacapital.com
13.	Reporting Boundary	
	Type of Reporting- Select from the Drop-Down List	The disclosures under this report are made on consolidated basis for Aditya Birla Capital Limited (ABCL) and all its Subsidiary and Associate companies (ABC Group).
	If selected consolidated:	Subsidiaries and associate companies in the reporting boundary are as covered in Section A- Q. 23. Please note: The disclosures made under Principle 6 cover data for selected ABC Group offices as follows – 3 Corporate offices and 11 of its largest branches, which collectively account for approximately 35% of the pan India carpet area.
14.	Name of assurance provider	DNV Business Assurance India Pvt. Ltd. (DNV)
15.	Type of assurance obtained	Reasonable Assurance

II. Product/Services

16. Details of business activities

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1.	Financial Services	The Company holds a certificate of Registration issued by the RBI to carry on business of a Non-Deposit Systemically Important Core Investment Company (CIC-ND-SI) under Section 45-IA of the Reserve Bank of India Act, 1934.	100%



Business Responsibility & Sustainability Report (Contd.)

17. Products/Services sold by the entity

S. No.	Product/Service	NIC Code	% of Total Segment Turnover contributed
1.	ABFL – NBFC	6492	32.13%
2.	ABHFL – Housing Finance	6492	4.64%
3.	ABSLI – Life Insurance	65110	46.16%
4.	ABSLAMC – Asset Management	66301	4.13%
5.	Aditya Birla PE Advisors Private Limited	-	0.00%
6.	Aditya Birla Capital Technology Services	-	0.06%
7.	Aditya Birla Financial Shared Services Limited	82990	0.00%
8.	Aditya Birla Trustee Company Private Limited	-	0.00%
9.	Aditya Birla Money Limited	66120, 64990	1.00%
10.	Aditya Birla Money Mart Limited	9971	0.02%
11.	Aditya Birla Money Insurance Advisory Services Limited	-	0.11%
12.	Aditya Birla Sun Life Trustee Private Limited	6619	0.00%
13.	Aditya Birla Wellness Private Limited	86909	0.03%
14.	Aditya Birla ARC Limited*	66190	0.45%
15.	Aditya Birla Sun Life Pension Management Limited	65300	0.02%
16.	Aditya Birla Stressed Asset AMC Private Limited	66309	0.02%
17.	Aditya Birla Insurance Brokers Limited	66220	1.43%
18.	Aditya Birla Capital Digital Limited	64990	0.02%
19.	Aditya Birla Health Insurance Limited	6512	8.73%
20.	Aditya Birla Special Situations Fund I	-	0.11%

* Based on consolidated turnover including trusts of Aditya Birla ARC Limited

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	No. of Offices	Total
National	0	1,474	1,474
International	0	0	0

19. Market served by the entity

Locations	Numbers
a. No. of Locations	
National (No. of States)	PAN India
International (No. of Countries)	0
b. What is the contribution of exports as a percentage of the total turnover of the entity?	0%
c. A brief on types of customers	As a financial services company with diverse offerings, clients of ABC Group covered in the reporting boundary include a wide range individual clients, investors, borrowers, and segments including HNWIs, SMEs as well as group-level corporate clients across sectors. Aligned with our priority of elevating financial well-being and fostering prosperity for our customers, we continue to focus on catering to our diverse mix of client segments, through a comprehensive product suite that spans across insurance, investments, loans, payments, and cards.

IV. Employees

20. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a. Employees and workers (including differently-abled)						
Employees						
1.	Permanent Employees (A)	46,688	32,091	69%	14,594	31%
2.	Other than Permanent Employees (B)	0	0	0	0	0
3.	Total Employees (A+B)	46,688*	32,091	69%	14,594	31%
b. Differently abled employees						
Employees						
4.	Permanent Employees (E)	29	22	76%	7	24%
5.	Other than Permanent Employees (F)	0	0	0	0	0
6.	Total Employees (E+F)	29	22	76%	7	24%

* 3 individuals among the total employees are identified as transgenders.

21. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1.	Board of Directors	7	1	14%
2.	Key Management Personnel	3	2	66%

Note: Only details of Aditya Birla Capital Limited have been included

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2023-2024 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	46.13%	36.29%	43.15%	42%	29.24%	38.20%	40.85%	36.49%	39.59%
Permanent Workers	-	-	-	-	-	-	-	-	-



Business Responsibility & Sustainability Report (Contd.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/subsidiary/associate companies/joint ventures	Indicate whether it is a holding/Subsidiary/Associate/or 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.	Grasim Industries Limited	Holding	-	No
2.	Aditya Birla Finance Limited	Subsidiary	100	
3.	Aditya Birla Housing Finance Limited	Subsidiary	100	
4.	Aditya Birla Money Limited	Subsidiary	73.53	
5.	Aditya Birla Insurance Brokers Limited	Subsidiary	50.002	
6.	Aditya Birla Money Mart Limited	Subsidiary	100	
7.	Aditya Birla Money Insurance Advisory Services Limited	Subsidiary	100	
8.	Aditya Birla Sun Life Trustee Private Limited	Subsidiary	50.85	
9.	Aditya Birla Wellness Private Limited	Subsidiary	51	
10.	Aditya Birla Financial Shared Services Limited	Subsidiary	100	
11.	Aditya Birla Capital Digital Limited	Subsidiary	100	Yes
12.	Aditya Birla Sun Life Insurance Company Limited	Subsidiary	51	
13.	Aditya Birla ARC Limited	Subsidiary	100	
14.	Aditya Birla Stressed Asset AMC Private Limited	Subsidiary	100	
15.	Aditya Birla Life Pension Management Limited	Subsidiary	51	
16.	Aditya Birla Trustee Company Private Limited	Subsidiary	100	
17.	Aditya Birla Capital Technology Services Limited	Subsidiary	100	
18.	Aditya Birla PE Advisors Private Limited	Subsidiary	100	
19.	Aditya Birla Sun Life AMC Limited	Associate	45.14	
20.	Aditya Birla Health Insurance Co. Limited	Associate	45.89	

VI. CSR Details**24. a. Whether CSR is applicable as per section 135 of Companies Act, 2013:**

No*

Turnover (in ₹) Standalone – ₹ 859.57 Crore

Net worth (in ₹) Standalone – ₹ 13,938.58 Crore

* In accordance with Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is available on the Company's website at <https://www.adityabirlacapital.com/investor-relations/policies-and-code>. During the financial year under review, the Company was not required to make any expenditure towards CSR projects, in absence of average net profit for three immediately preceding financial years calculated in accordance with the provisions of Section 198 of the Act. Accordingly, no CSR activity was undertaken by the Company. Considering that the Company was not required to contribute any amount towards CSR activities, report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 has not been furnished. Further, details on the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

VII. Transparency and Disclosures Compliances

25. 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 2023-24 Current Financial Year			FY 2022-23 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	Yes	Grievance redressal for communities is managed by implementation partners, agencies.	-	-	-	-	-	-
Investors (other than shareholders)	-	Stakeholder Engagement Policy	-	-	-	-	-	-
Shareholders	Yes	Stakeholder Engagement Policy	29	1	-	42	1	-
Employees and workers	Yes	Stakeholder Engagement Policy	-	-	-	0	0	-
Customers	Yes	Stakeholder Engagement Policy	11,668.00	208.00	-	9,783.00	287.00	-
Value Chain Partners	Yes	-	-	-	-	-	-	-
Other (Please specify) (ABHFL)	-	-	-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	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)
Risk Management (Including ESG risks)	Opportunity	ABC Group Companies acknowledge the crucial role that effective risk management plays in achieving their business goals and creating long-term value for their stakeholders. The Company is dedicated to managing a variety of risks, such as those associated with market fluctuations, and is aware of the intricate challenges presented by risks related to Environmental, Social, and Governance (ESG) factors, particularly climate change. ABC Group employs a data-centric approach to risk management, underpinned by a comprehensive Risk Management Framework that has received the Board's approval. There is potential for the Company to further improve its emphasis on integrating ESG considerations by updating its risk management framework to better address new and emerging risks. These include risks linked to ESG factors, climate change, and changes in the regulatory landscape of the financial services industry.	ABC Group has established a Risk Management Committee (RMC) tasked with the critical responsibility of supervising key aspects of risk management. The existing Risk Management Framework is thoughtfully crafted to actively detect, engage with, and lessen the impact of new risks in a timely and effective manner. This framework is in line with fundamental goals such as providing oversight, supporting strategic decisions with data, and maintaining strong internal controls, showcasing ABC Group's commitment to tackling the evolving challenges head-on. By putting this extensive system into practice, ABC Group reinforces a culture that prioritizes policies and procedures designed to effectively counteract emerging risks. The RMC plays a pivotal role in overseeing the management of ESG and related risks within the organization, cultivating a proactive and flexible approach to managing and adapting to new risks in the current year, and their financial impacts.	<p>Positive:</p> <p>Leveraging its robust risk management framework and the vigilant oversight of the Committee, the Company has once again demonstrated its proficiency in managing emerging risks effectively. A proactive approach has enabled it to steer through uncertainties and maintain operational stability.</p> <p>In the current year, ABC Group remains unwavering in its endeavors to enhance its performance on risk management, to proactively address unforeseen and evolving risks, including ESG and climate-change-related risks, and its impact on the Company's resources, assets and business performance.</p> <p>This strategic focus highlights the Company's dedication to staying agile and responsive in the face of evolving risks, and managing its financial impact.</p>



Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Data Security and Privacy	Risk	<p>The financial services industry is experiencing a significant transformation with the increasing move towards digitisation, which is changing operational models and introducing related risks, particularly in the areas of data security and privacy. As digitisation continues to evolve within the financial services sector, effectively managing cybersecurity risks and protecting the privacy of customer data are deemed critical priorities for the current year.</p> <p>These risks have the potential to impact ABC Group's core IT infrastructure, encompassing both internal and external databases, as well as the financial security of customers, which in turn could affect the Company's reputation and standing in the marketplace.</p>	<p>ABC Group remains resolutely committed to upholding the confidentiality of its employees' and customers' data. Its strategy in this regard is anchored in a cohesive approach to data privacy compliance, which is applied uniformly across all subsidiaries and associate companies. ABC Group adheres to a robust set of principles and procedures that align with regulatory requirements to securely handle and protect customer data.</p> <p>To counter risks such as data theft or cyber-attacks, the Company has established a sturdy reporting and resolution system for both customers and employees, and strong IT and data systems. These proactive steps also include the continuous reinforcement of Data Loss Prevention (DLP) policies.</p> <p>As an affirmation of these efforts, we are proud to announce that in FY 24, there have been no instances of security breaches or data loss incidents being reported.</p>	<p>Negative:</p> <p>Potentially limiting or inadequate levels of investments in data security and privacy measures can have a negative impact on:</p> <ol style="list-style-type: none"> 1. Preparedness for fraud or data breach attacks, and operational losses 2. Potential regulatory action (fines, penalties) taken because of limitations in IT, data and privacy-related systems
Corporate Governance	Risk	<p>ABC Group prioritizes key governance issues such as business ethics, integrity, responsible business practices, and adherence to the changing regulatory requirements and disclosure obligations.</p> <p>The fluctuating nature of financial markets, the ever-evolving regulatory environment in the financial services industry, and modifications in regulations concerning product offerings pose a variety of risks. These include the possibility that ABC Group's processes and responses may be insufficient or not promptly adapted to such regulatory changes or requirements.</p> <p>Additionally, the shifting landscape of regulatory demands and disclosures concerning Environmental, Social, and Governance (ESG) factors pose ESG-related risks. The Company is dedicated to proactively and effectively addressing these risks to ensure compliance and maintain its commitment to responsible corporate conduct.</p>	<p>ABC Group is unwavering in its commitment to fostering ethical business practices and upholding the highest standards of corporate governance.</p> <p>To solidify this commitment, ABC Group has put in place extensive frameworks and policies that guide their operations and decision-making processes on governance.</p> <p>At ABC Group, the Board of Directors takes an active role in overseeing the management of ESG-related risks and opportunities, ensuring strong governance practices throughout all subsidiary and associate companies.</p>	<p>Negative:</p> <p>Shortcomings or limitations in the oversight and surveillance of ABC Group's governance practices, as well as its compliance track record, can have a negative effect on the Company's:</p> <ol style="list-style-type: none"> 1. ESG Rating 2. Market Reputation (Indirect financial impact) 3. Potential to attract additional investment 4. Regulatory risks (Impact in terms of fines or penalties imposed)

Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Climate Strategy	Opportunity	<p>ABC Group is actively engaged in reducing their carbon footprint and addressing the changing impacts and risks related to climate change. Their initiatives in greenhouse gas (GHG) emission reduction, energy efficiency, water conservation, and waste management are recognized as opportunities to make a positive impact on the environment.</p> <p>Moreover, these initiatives present an avenue to interact and share information with various stakeholders about Environmental, Social, and Governance (ESG) issues, reinforcing the Company's image as an entity that is aware of ESG considerations and committed to social responsibility.</p>	<p>The Company regards their initiatives to mitigate the effects of climate change as a driving force for generating enduring value for stakeholders and effecting a sustainable, positive influence on the natural environment.</p> <p>The Company has taken active steps, such as implementing waste composting at its corporate office in Mumbai, showcasing its translation of commitments into concrete actions on responsible environmental practices.</p> <p>To further improve energy efficiency, there has been a continuous shift from traditional incandescent lighting to energy-saving LED lights across office spaces. Moreover, the Company is in the process of expanding its installation of solar panels at selected office locations, signaling a stronger move towards renewable energy and a reduction in carbon footprint.</p>	<p>Positive:</p> <p>The Company's steadfast dedication to adapting to the challenges posed by climate change can lead to positive impact on improved risk management (physical and transition risk), and the Company's investment attractiveness to global, EGS-aware investors</p>
Employee well-being	Opportunity	<p>ABC Group is dedicated to ensuring the holistic well-being of its employees, recognizing this commitment as a chance to foster a culture of innovation and a focus on people.</p> <p>The Company considers its employees to be its most critical resource and places a high priority on their well-being, emphasizing the importance of a supportive and nurturing work environment.</p> <p>ABC Group remains a staunch advocate for equality, diversity, and inclusion within the organization in the current year.</p>	<p>ABC Group maintains a strong commitment to the comprehensive well-being of its employees. This includes encouraging proactive health management via the ABC Group's 'Multiply' wellness app and offering employees discounts on select health insurance products from the Company's range.</p> <p>Through such initiatives, the Company sees an opportunity to empower its employees to take charge of their health and to be at their best, both professionally and personally.</p>	<p>Positive:</p> <p>Cultivating an environment that prioritizes holistic well-being can aid ABC Group in its endeavors to:</p> <ol style="list-style-type: none"> 1. Support the personal growth and development of its employees, enabling them to achieve their full potential, and support the Company leverage the benefits of a productive workforce (Indirect financial impact) 2. Attract and retain the best talent by offering a workplace that values the health and happiness of its workforce (Indirect financial impact on talent management budgeting) 3. Maintain its status as a premier employer known for offering enriching career opportunities and fostering a healthy work-life balance for its employees.



Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Diversity, Equality, and Inclusion	Opportunity	ABC Group remains a staunch advocate for equality, diversity, and inclusion within the organization. Upholding diversity and equal opportunity are a firm commitment for the Company. This dedication presents a continuous opportunity to draw on the perspectives of a varied group of professionals, contributing to the growth and development of both the organization and its workforce.	ABC Group views diversity and the provision of equal opportunities as fundamental strengths and essential elements of the Company's core values. In the current year, ABC Group remains unwaveringly dedicated to improving the representation of women in its workforce at all levels, demonstrating a commitment to gender equality and inclusivity.	<p>Positive:</p> <p>ABC Group views diversity and inclusion as a critical lever for furthering its goal of creating long-term value and sustainable growth for all its stakeholders.</p> <p>Having a diverse workforce can help the Company:</p> <ol style="list-style-type: none"> 1. Further build on its reputation as an equal opportunity provider 2. In bringing diversity in strategic decision, including in succession planning and balanced Board representation 3. Bring in diverse perspectives to help further the Company's business growth pursuits
Financial Inclusion	Opportunity	<p>ABC Group acknowledge the growing importance of providing access to financial services for traditionally underserved communities as a means to contribute to India's development story. By utilizing ABC Group's extensive range of affordable financial products, including micro-insurance, lending, and investment options, they see a dual opportunity:</p> <ol style="list-style-type: none"> 1. Contributing to the National Mission: There is an opportunity to actively engage in the wider national objective of promoting financial inclusion for groups such as rural populations, women, micro, small and medium enterprises (MSMEs), and youth. 2. Creating Economic Value: There is also an opportunity to create economic value for the Company by broadening and diversifying its customer base, extending the reach of its products, and enhancing revenue streams. 	<p>To address risks related to issues such as insufficient information, customer protection, and irregularities in sales practices within the scope of financial inclusion and associated business operations, the following measures have been implemented:</p> <ol style="list-style-type: none"> 1. Precise identification of key target segments and a thorough understanding of their financial requirements. 2. Development of value-added products that are tailored based on a needs assessment and adhere to the principles of responsible pricing. 3. Commitment to the highest ethical standards and responsible selling by providing staff with training on ethical sales and marketing practices. Additionally, the establishment of fact-checking procedures has been put in place to verify the accuracy of information disseminated about its product offerings. 	<p>Positive:</p> <p>Continuing the momentum of the Company's focus on financial inclusion will have a positive impact and help ABC Group further its objective of serving as a leading provider of inclusive financial services, helping customers achieve holistic financial well-being</p>

Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Digitalization	Opportunity	<p>The evolving and continuous digital transformation of operational processes, encompassing customer experience and service, offers ABC Group the chance to:</p> <ol style="list-style-type: none"> Utilize technology and unify data systems throughout ABC Group, enabling sustained growth of the customer base. Further improve service delivery in terms of efficiency and quality, particularly for last-mile connectivity. Move towards a paperless processing cycle within its operations. 	<p>ABC Group has implemented strong monitoring and verification mechanisms to manage the risks that come with the digitalization of their operations.</p> <p>Key strategies include the use of DigiLocker for KYC processes, eSign for digital signatures, and the application of analytics-driven models to inform decisions in lending, investment, and insurance sectors.</p> <p>These ongoing digital processes are critical in overseeing and mitigating new risks, enabling the acquisition of customers without physical contact, reducing the time needed to complete processes (Turnaround Time, or TAT), and lessening the reliance on paper-based documentation. With a continued focus on digitalization, ABC Group aims to provide a frictionless customer experience, improve operational efficiencies, and support environmental sustainability by moving from paper to digital formats.</p>	<p>Positive:</p> <p>Focusing on digitalization can help the Company further its support to its customer base, in terms of improvements in connectivity, interoperability, TAT, grievance resolution, and the overall customer journey and experience. Leveraging the power of One ABC can help in an expansion of the customer base, with a positive impact on business growth and revenue streams</p>
Customer Satisfaction and Relationship Management	Opportunity	<p>Considering ABC Group's diverse customer segments, any negative impact on customer satisfaction, overall customer experience, and service can directly influence the Company in the current year in the following ways:</p> <ol style="list-style-type: none"> Brand and Reputation: Adverse effects on the brand and reputation in the market. Customer Acquisition: Impacts on customer acquisition and any expansion plans. Existing Customer Base: Potential repercussions on the existing customer base 	<p>To mitigate risks such as customer complaints, ABC Group has put in place comprehensive systems and channels for grievance resolution. These include both face-to-face and digital platforms for addressing customer issues, complemented by an escalation hierarchy for grievances that are not promptly resolved.</p> <p>With a focus on customer-centricity in all its operations and procedures, ABC Group is dedicated to delivering a satisfactory and positive experience for its customers.</p>	<p>Negative:</p> <p>Customer dissatisfaction or any challenges in delivering a positive experience can have a direct effect on:</p> <ol style="list-style-type: none"> Customer trust levels Potential for customer acquisition and retention Brand reputation, and Potential for business expansion and growth



Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Reputation Management	Opportunity	<p>The Company's dedication to putting customers first, and managing its reputation effectively is viewed as a chance to maintain its status as a preferred provider of financial services in India. ABC Group is continually implementing actions to protect and further cement their brand and reputation, with a focus on responsibility, ethical practices, and prioritizing the well-being of people.</p> <p>This commitment opens up prospects to capitalize on the existing widespread network across India and to reinforce the Company's position as a leading institution that is conscious of ESG factors. The increasing importance of ESG in both the Indian context and the financial services sector offers the Company the opportunity to develop and broaden their range of products and initiatives that align with ESG principles.</p>	<p>To counteract risks such as greenwashing or the misrepresentation of the Company's achievements in ESG areas, ABC Group has taken steps to ensure that its sustainability communications are authenticated and reflect the genuine advancements made across all sectors.</p> <p>The focus is on providing stakeholders with thorough and validated information, as well as updates on the Company's progress. ABC Group is dedicated to preserving its reputation as a prominent organization that is aware of and actively engaged in ESG practices.</p>	<p>Positive:</p> <p>By dedicating specific resources to prioritize and implement reputation management strategies, ABC Group can improve their standing as a responsible provider of financial services.</p> <p>Adopting this proactive stance can contribute to the Company's growth and add to its efforts in value creation.</p>
Community development	Opportunity	<p>The Company's commitment to community development is centered on building and strengthening communities. ABC Group makes significant contributions to community betterment through CSR initiatives carried out under 'The Aditya Birla Centre for Community Initiatives and Rural Development.'</p> <p>ABC Group sees community development as a valuable opportunity to interact with and support communities throughout India, with involvement spanning several areas such as education, healthcare, sustainable livelihoods, financial inclusion, and the empowerment of women.</p> <p>Additionally, ABC Group considers community development as an opportunity to promote fairness and socio-economic growth on a large scale within the country.</p>	<p>To manage and alleviate potential risks or complaints related to stakeholder engagement in its CSR activities, ABC Group have set up a grievance resolution mechanism. Through consistent interaction with implementation partners, such as NGOs, the Company is able to effectively address any issues raised by the beneficiaries of its CSR initiatives.</p>	<p>Negative:</p> <p>The inefficient administration of community development programmes, resources and practices for engaging stakeholders could adversely affect the Company's reputation.</p> <p>Challenges such as financial resource mismanagement for example can impact community trust levels, and in turn, programme scope, expenditures, effectiveness, and compliance with requirements such as overall level of expenditures on community development (CSR).</p>

Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	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)
Stakeholder Engagement	Opportunity	<p>ABC Group identifies a range of entities as essential stakeholders and partners, including employees, customers, vendors, and collaborators like NGOs that support it to execute CSR initiatives. In interactions with these groups, the Company is committed to following proper procedures and guidelines.</p> <p>For every category of stakeholder, ABC Group employs a structured approach and upholds a set of protocols for interactions at various levels, including grievance redressal systems to efficiently resolve any issues that may arise.</p>	<p>ABC Group acknowledge a variety of key stakeholders and partners within their operations, such as employees, customers, suppliers, regulators, and collaborating organizations like NGOs that facilitate the implementation of CSR activities. The Company is dedicated to engaging with these groups in accordance with established procedures and guidelines.</p> <p>ABC Group adopts an organized method for each stakeholder category, adhering to specific interaction protocols at different stages, and includes grievance redressal mechanisms to effectively address and resolve any concerns that may surface.</p>	<p>Negative:</p> <p>Gaps, if any, in the practices followed for stakeholder engagement can negatively affect the Company's reputation, and long-term growth and value-creation prospects.</p> <p>This includes:</p> <ol style="list-style-type: none"> 1. Customers – An impact on customer trust, loyalty, retention, and in turn business growth 2. Employees- An impact on talent attraction and retention, and in turn on talent management budgeting 3. Shareholders – An impact on sharing of material information, effective shareholder engagement and alignment 4. Regulatory bodies – An impact on sharing of accurate and complete information for compliance, in turn creating risks such as fines and penalties

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBCs) as prescribed by the Ministry of Corporate Affairs advocates the following nine principles referred to as P1 to P9.

- P1 – Business should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 – Businesses should promote the wellbeing of all employees
- P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5 – Businesses should respect and promote human rights
- P6 – Business should respect, protect, and make efforts to restore the environment
- P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8 – Businesses should support inclusive growth and equitable development
- P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner



Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1.. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<p>Employee-specific policies are accessible only by employees on intranet HRMS portal and are not shared in the public domain. Other policies of the Company are available on the website of the Company.</p> <p>A comprehensive list of the policies and codes of the Company is available here: ABCL policies and code</p> <p>Web links for policies relating to the principles and its core elements are as follows:</p> <p>Remuneration Policy: ABCL Executive Remuneration Policy</p> <p>POSH: ABCL policy on prevention of sexual harassment</p> <p>Risk Management Policy: ABCL risk management policy</p> <p>CSR Policy: ABCL corporate social responsibility policy</p> <p>Whistle Blower Policy: ABCL Whistleblower Policy</p> <p>Code of Conduct for Board and Senior Management: ABCL Code of Conduct for the BOD and Senior Management</p> <p>Supply Chain and Procurement Policy: ABCL Supply Chain and Procurement Policy</p>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P9: ABC Group's Information and Cyber Security policies are in compliance with the requirements of ISO 27001.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>ABC Group considers sustainability as a core pillar of its ethos, and integral to the way it manages its operations, processes, and its impact – on people and the planet. As a purpose-driven entity, our focus has consistently been on enriching the lives of all our stakeholders.</p> <p>To this end, we have:</p> <ul style="list-style-type: none"> – Continued to take efforts to further minimize our emissions and impact on the environment, by investing in additional solar generation at select ABC Group's offices – Prioritized and focused on the integrated and holistic wellbeing of our workforce, which includes innovative and supportive initiatives to care for the physical, emotional and mental wellbeing, as well and financial, intellectual, and social wellbeing – Maintained a consistent focus on promoting inclusion, and local community empowerment through our wide-ranging corporate social responsibility efforts, including ,coverage in multiple Aspirational Districts. Through our efforts, we have enabled inclusive development across thematic areas such as healthcare (physical and mental healthcare, education, and women's empowerment and inclusion. 								

Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>The Company has continued to achieve notable success in their commitments to empower local communities, protect and reduce our impact on the natural environment, to promote inclusive development and prosperity for all our stakeholders. This is demonstrated through our initiatives, as follows:</p> <ul style="list-style-type: none"> - At our branches in Chennai, Bangalore, Pune, Noida and Bhopal, we have installed solar panels of 42 kW, 12 kW, 20 kW, 41 kW and 25 kW capacity respectively, to further our efforts in using renewable energy, and reducing emissions. In addition to this, we continue to work with our trusted partners to safely dispose, manage, and recycle waste generated through our operations, as part of our efforts to contribute to a greener and cleaner future - Our workforce leveraged the multiple wellness initiatives and programmes offered, in order to best manage, holistically, their wellbeing. In the past year, approximately 9594 employees participated in wellness programmes offered by ABCL and its subsidiaries - an increase from a figure of 10,000 employee participants in FY23. - In FY24, through our CSR programming, we continue to focus on empowering our local communities, and enabling broad-based improved socio-economic development. Through our efforts and programmes undertaken in Aspirational Districts, we have contributed to thematic areas we consider as vital to India's ambitions of inclusive growth. This includes supports for programmes to help improve the quality of medical services offered in Primary Health Centers, for providing quality healthcare services in remote areas through Tele-medicine, with a focus on maternal & child health, and supporting orphanages to establish and maintain improved facilities for sanitation and education. As of FY24, we have expanded our CSR programmes in aspirational districts from 6 states in FY23 to now cover 7 states - Maharashtra, Odisha, Uttar Pradesh, Jharkhand, Bihar, Tamil Nadu and Rajasthan 								

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

As a purpose-led organization and a leading provider of diverse financial services in India, the Company continues to prioritize sustainability and ESG as a core pillar in its pursuit of creating long-term value for its people, and the planet. As part of our sustainability strategy, our focus remains on taking efforts to minimize our impact on the environment and adapting to the multi-faceted challenges posted by climate change and ESG-related issues.

The Company continues to proactively take efforts to manage its impact on the natural environment, reduce its emissions, and positively impact the lives of its key stakeholders - especially its workforce, customers, and local communities.

In line with the Company's purpose-led commitment to build responsible businesses and institutions that inspire trust, the Company is proud to share the progress in the past year on key ESG-related issues. By proactively incorporating ESG and sustainability in the way we manage our business, growth objectives, and how serve our stakeholders, we have achieved significant progress. This progress is captured through positive outcomes we have achieved across areas including emissions and waste management, strengthening our employee workforce and supporting their holistic well-being, and continuing our commitment to support inclusive growth, financial inclusion, and community development in underserved areas.

We are committed to continue working towards protecting our natural environment and prioritizing a focus on responsible and environmentally sustainable practices. At two of our primary corporate offices in Mumbai, we have prioritized the use of green energy in our premises - translating our commitment towards emissions reduction into a reality. Through partnerships with our trusted vendors, in FY24, the Company successfully recycled over 34 MT of waste, including continued momentum in recycling waste types such as sanitary napkins. With an ongoing expansion of our capacities to generate and leverage renewable energy, the installation of solar panels at our premises in Bhopal, Bangalore and Pune, among others, has helped us move closer towards our goal of significantly reducing our emissions.

On the people management front, we continue to focus on creating a vibrant, diverse and inclusive work environment, and dedicate resources and efforts towards championing diversity in our workforce. Celebrating diversity, promoting inclusion, and cultivating a sense of belonging are key focus areas in our efforts to empower our workforce. We have continued to build on the momentum achieved in enhancing women's representation across our companies. We have seen consistent progress made on this front - with women's representation at ABCL now standing at 31% as of FY24. In addition to maternity benefits, through measures for example for new mothers in the form of day care support, we have continued to prioritize efforts to holistically support our diverse workforce.

On the customer engagement front, we continue to leverage the power of One ABC, ensuring the provision of seamless and digital-first services to our diverse customer base. Our efforts remain to expand our offerings in a digitized manner, and to underserved segments, especially through our customized offerings in the lending space.



Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Through this multitude of initiatives, we have attempted to actively create an inclusive and engaging work environment, take efforts to protect our natural environment, and support our customers and local communities. We view these efforts as our way of contributing to India's journey of achieving inclusive and sustained growth – for one, and for all. As a purpose-driven organization, we continue to remain committed to uphold responsible business practices and champion inclusive growth – with the aim of creating long-term value for all of our stakeholders.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Risk Management Committee within the Company holds the responsibility for the implementation and oversight of the Business Responsibility policies. The Chief Risk Officer, Sanchita Mustaphy, is the highest authority in charge of enforcing the Business Responsibility policy, ensuring that the Company's operations align with its commitment to sustainable and responsible business practices.								
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 Risk Management Committee drives the sustainability and ESG (Environmental, Social, and Governance) agenda at ABC Group. Collaborating with business heads and function heads across the Company, the Risk Management Committee endeavors to integrate ESG considerations into the ethos of its businesses and the Company's operations. This collaborative effort ensures that ESG principles are aligned with the Company's guiding mission and vision.								

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The aforementioned policies have been approved by the Board, it's Committees or the Senior Management of the Company, where applicable.									Policies are reviewed periodically, given factors such as regulatory requirements, or recommendations from relevant industry associations								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has the required policies and procedures in place to ensure compliance with laws applicable to the Company.									Periodic, need-basis.								

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No. However, the Company continues to prioritize sustainability, and considers it as a core, driving value for the organization.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
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 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)									
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 b/y 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	Nil	The orientation programmes are conducted for the new directors wherein the Senior Management of the Company make presentations to familiarise the Directors with the business of the Company, subsidiaries and associates, regulatory changes, industry practice, systems and policies adopted by various departments, especially the governance practices and compliance process adopted by the Company. This includes key topics such as risk management, and data or information security. In addition, at the quarterly Board Meeting, the Directors are updated on the key regulatory changes and performance of the Company, subsidiaries and associates	
Employees and KMPs	4,517	Induction, Functional, Regulatory (mandatory) viz modules on Information Security Refreshers, Code of Conduct Guidelines, Prohibition of Insider trading, Prevention of sexual harassment, Whistle blower, etc, Behavioral and leadership Skills. Additionally, a capacity building session on the BRSR principles and indicators and its relevance to the Company's operations was held in November 2023. This workshop was attended by functional heads from HR, Finance, Legal, Risk, Admin, IT and the CSR department of the Company/ subsidiaries as relevant.	92%
Workers	-	-	-

* No new Directors were appointment of during FY 2023-24, thus no training or awareness programmes were conducted by the Company.

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.

a. Monetary

Type	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	1	National Stock Exchange of India Limited and BSE Limited	₹ 21,240/- each	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) vide their respective emails dated 29 th February 2024, had imposed fine amounting to ₹ 21,240/- each, for delayed compliance with Regulation 6(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 on ABSLI and its subsidiaries, i.e. appointment of qualified Company Secretary as the Compliance Officer beyond the period of three months from the date of such vacancy during the quarter ended 31 st December 2023. The Company paid the fine on 15 th March 2024.	Yes
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-



Business Responsibility & Sustainability Report (Contd.)

b. Non-monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

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.

Nil

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 has an anti-corruption and anti-bribery policy. The policy is in alignment with existing policies of the Company, including the Code of Conduct.

The policy is available on ABCL's website: [ABCL Anti Corruption and Anti Bribery Policy](#)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Not Applicable	Not Applicable

6. Details of complaints with regard to conflict of interest:

Topic	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil	-	Nil	-

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.

Nil

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	26.08	28.53

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable	Not Applicable
	b. Number of trading houses where purchases are made from	Not Applicable	Not Applicable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not Applicable	Not Applicable
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	Not Applicable	Not Applicable
	b. Number of dealers/distributors to whom sales are made	Not Applicable	Not Applicable
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	Not Applicable	Not Applicable
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	-	-
	b. Sales (Sales to related parties/Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Loan & advances: ABCL: Loans and advances given to: CEO: Nil Loans and advance outstanding balance: CEO: 0.005%* By ABFL: Loan and Advances given to: <ul style="list-style-type: none"> • ABREL EPC Limited: ₹ 318.66 Cr • Aditya Birla Green Power Limited (formerly known as Waacox Energy Private Limited): Nil Loan and Advances Outstanding Balance: <ul style="list-style-type: none"> • ABREL EPC Limited: 0.19% • Waacox Energy Private Limited: 0.04% 	Loan & advances: ABCL: Loans and advances given to: CEO: ₹ 6.29 Cr Loans and advance outstanding balance: CEO: 0.006% By ABFL: Loan and Advances given to: <ul style="list-style-type: none"> • ABREL EPC Limited: ₹ 205.07 Cr • Aditya Birla Green Power Limited (formerly known as Waacox Energy Private Limited): ₹ 15.03 Cr Loan and Advances outstanding balance: <ul style="list-style-type: none"> • ABREL EPC Limited: 0.22% • Waacox Energy Private Limited: 0.06%
d. Investments (Investments in related parties/Total Investments made)	Investment Closing Balance:** Equity shares in Joint venture/Associate By ABCL: <ul style="list-style-type: none"> • Aditya Birla Sun Life AMC Limited: 1.50% • Aditya Birla Sun Life Trustee Private Limited: 0.0009% • Aditya Birla Wellness Private Limited: 0.01% • Aditya Birla Health Insurance Co. Limited: 3.11% By ABSLI: Investment made in: NCD <ul style="list-style-type: none"> • Grasim Industries Limited: 0.03% • UltraTech Cement Limited: 0.02% 	Investment Closing balance: Equity shares in Joint venture/Associate By ABCL: <ul style="list-style-type: none"> • Aditya Birla Sun Life AMC Limited: 1.65% • Aditya Birla Sun Life Trustee Private Limited: 0.0009% • Aditya Birla Wellness Private Limited: 0.02% • Aditya Birla Health Insurance Co. Limited: 3.99% By ABSLI: Investment made in: NCD <ul style="list-style-type: none"> • Grasim Industries Limited: 0.04% • UltraTech Cement Limited: 0.03% 	

* This is % of total loans outstanding as at the end of the year based on Consolidated Financial Statements.

** This is % of total investments outstanding at the end of the year based on Consolidated Financial Statements.



Business Responsibility & Sustainability Report (Contd.)

LEADERSHIP INDICATORS**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
Not applicable		

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.

ABC Group takes a declaration from Board Members and Senior Management on an annual basis, in order to document members' consent and information in the context of managing conflict of interest issues.

This is available on the website of the Company at: [ABCL Appendix-II](#)

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.**

Type	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	-	-	-
Capital Expenditure (CAPEX)	13.36%	Given that the Company's primary business is in the financial services sector, CAPEX investments made by the Company are mainly in information technology and associated infrastructure and processes. In the given reporting period, capex investments were made in the form of investments or additions made to the IT infrastructure and systems. This includes hardware, such as laptops and other devices, software, and updates to it, if any	Building of digital journeys to eliminate paper based application, eNach, Digital KYC, Account Aggregator (To eliminate need for physical bank statements), physical movement of files and documents, digital self service channel (WhatsApp) instead of physical queries/ requests. Additionally - Reduction in carbon footprint and use of paper for Financial transactions.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

As providers of financial products and services, the Company has a limited impact on resource consumption, which is mainly restricted to their operational activities rather than their product offerings, rendering sustainable sourcing less applicable on the product side for the Company.

ABC Group however remains dedicated to adhering to the Aditya Birla Group's values, which advocate for a culture of conserving resources, and engaging in sustainable and responsible business practices, to have a minimal effect on the natural environment.

b. If yes, what percentage of inputs were sourced sustainably?

Not applicable

- 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.**

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.**

Not applicable

LEADERSHIP INDICATORS

- 1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes provide web-link
Not applicable				

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

S. No.	Name of the product	Description of the risk	Action Taken
Not applicable			

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Nil

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not applicable. The Company's main operation is in the Financial Services sector and that it is not involved in the production or manufacturing of any physical/tangible products in the traditional sense, there are no products and packaging to be reclaimed at the end of life.



Business Responsibility & Sustainability Report (Contd.)

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	32,091	32,091	100	32,091	100			32,091	100		
Female	14,597	14,597	100	14,597	100	14,597	100			14,597	100
Total	46,688	46,688	100	46,688	100	14,597		32,091		14,597	
Other than Permanent Employees											
Male			-	-	-	-	-	-	-	-	-
Female			-	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-	-	-

The Company continues to prioritize the holistic well-being of its workforce, in line with its core ethos as a purpose-driven and people-first organization.

Our goal is to create a lively and stimulating work environment. ABC Group underscores the significance of health and well-being by implementing various wellness programmes and initiatives. Our focus remains to offer support and care in order to create a happier workforce, and a vibrant and positive work culture.

Currently, we support our workforce through multiple wellbeing initiatives, including offering health checkups through on-site health camps, offering a holistic well-being and healthcare app, and extensive benefits and support programmes for new parents needing support in their journey towards maintaining a healthy work-life balance and to help meet their childcare needs.

We continue to relentlessly prioritize the well-being of our workforce, guided by our core values and mindset of fostering a culture of positivity, and considering employee well-being as a non-negotiable proposition.

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male											
Female											Not applicable
Total											
Other than Permanent Workers											
Male											
Female											Not applicable
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.14%	0.135%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. No.	Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100%	-	Y	100%	-	Y
2.	Gratuity	100%	-	Y	100%	-	Y
3.	ESI	NA	NA	NA	NA	NA	NA

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.

The Company has ensured that its office premises have the facility for elevators, and / or ramps wherever possible, and accessibility-centric designs in common spaces such as restrooms. In our Mumbai offices, we have the facility of elevators available, which helps us enable mobility for differently abled employees and visitors.

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.

As part of Aditya Birla Group, ABC Group follows the principles of Equal Opportunities, and is committed to provide equal employment opportunities without any discrimination or harassment based on factors such as race, religion, gender, or any other characteristics.

In line with Company's Anti-Harassment and Anti-Discrimination policy, ABC Group provides equal employment opportunities to all existing and prospective staff and maintains a working environment free from discrimination, harassment, and bullying. The policy is available here: [ABCL Anti Harassment and Discrimination](#)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Gender	Permanent Workers		
	Return to work rate	Retention Rate		Return to work rate	Retention Rate	Retention Rate
Male	100%	100%	Male	-	-	-
Female	100%	100%	Female	-	-	-
Total	100%	100%	Total	-	-	-

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.

Category	Yes/No	Details of the mechanism in brief
Permanent Employees	Yes	The Company has several policies with established grievance resolution procedures.
Other than Permanent Employees	Yes	Details of the same are provided in Section A – Q23.



Business Responsibility & Sustainability Report (Contd.)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	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)
Permanent Employees						
Male	Nil	Nil	-	Nil	Nil	-
Female	Nil	Nil	-	Nil	Nil	-
Total	Nil	Nil	-	Nil	Nil	-
Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

8. Details of training given to employees and workers:**a. Details of Skill upgradation**

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	%(E/D)
Permanent Employees						
Male	24,109	22,403	93%	24,619	22,403	91%
Female	7,526	7,067	94%	10,062	9,156	91%
Total	31,635	29,470	93%	34,681	31,559	91%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

b. Details of Health and Safety measures

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	%(E/D)
Permanent Employees						
Male	24,109	22,277	92%	24,619	22,403	91%
Female	7,526	6,978	93%	10,062	9,156	91%
Total	31,635	29,255	92%	34,681	31,559	91%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	%(D/C)
Permanent Employees						
Male	24,109	24,109	100%	21,620	21,620	100%
Female	7,526	7,526	100%	9,258	9,258	100%
Total	31,635	31,635	100%	30,878	30,878	100%
Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)**

Yes

What is the coverage of such system?

As part of efforts on health and safety management, periodic trainings on fire safety and managing firefighting equipment are provided to all employees. Periodically, evacuation drills are also conducted in the Company's offices.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

This is not directly applicable, given the nature of business.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**

Given the nature of the business (in financial services), the Company does not have exposure to / limited exposure to work related hazards. Hence, this indicator has limited applicability.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes



Business Responsibility & Sustainability Report (Contd.)

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current FY	FY 2022-23 Previous FY
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

ABC Group is committed to ensuring that it provides a safe and healthy workplace, enabling its employees to deliver their best, and foster a culture of holistic well-being.

We continue to prioritize acknowledging and protecting the rights of our employees and following health and safety practices in line with industry standards, as applicable. We are dedicated to understanding the health and safety-related concerns of our employees and key stakeholders and consistently take efforts to address these concerns.

We have consistently focused on protecting the rights of our employees, and regularly train and communicate with employees at all levels about human rights. To this end, we strictly prohibit all forms of forced labour, discrimination, and harassment, and do not interfere with employees' collective bargaining power or ability to join an employee union.

The wellbeing and safety of employees is a key priority for us, as we consider employee wellbeing as a key pillar for achieving purpose-led growth.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Not applicable
Working Conditions	

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

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

a. Employees (Yes/No): Yes

b. Workers (Yes/No): Not applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

Not applicable s

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	NA	NA	NA	NA
Workers	-	-	-	-

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Not applicable

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NA



Business Responsibility & Sustainability Report (Contd.)

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:**

At ABC Group, stakeholders are individuals or groups contributing to or creating value for the organization in alignment with its core vision and mission. These key stakeholder groups include employees at all management levels, shareholders, investors, customers, suppliers or channel and distribution partners, knowledge management partners, regulators/regulatory bodies, lenders, researchers, and communities of beneficiaries linked to CSR programming.

The Company, in collaboration with thematic experts internally and externally, identifies key stakeholder groups. This process considers factors such as the nature of partnership, location, statutory compliance requirements, regulatory actions, and the type of programming involved in the Company's initiatives.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized 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
Employees	No	<ul style="list-style-type: none"> • Emails and meetings • Internal portals • Employee satisfaction survey • Training programmes • Performance appraisal • Grievance redressal mechanisms 	On-going	<ul style="list-style-type: none"> • Ensuring fair wages and rewards, and a healthy work-life balance • Training and skill development, and Career growth opportunities
Customers	No	<ul style="list-style-type: none"> • Customer feedback surveys • Emails/phone calls/meetings • In-person customer visits 	Annual	<ul style="list-style-type: none"> • Post engagement support • Grievances Resolution • Advisor
Shareholders	No	<ul style="list-style-type: none"> • Press releases • Investor meets and conferences • Investor grievance redressal • General Meetings • Email correspondences • Registrar and Transfer Agent as point of contact 	Quarterly and annual, event based	<ul style="list-style-type: none"> • Communication on: • Financial Performance
Regulatory bodies - RBI/ SEBI/ IRDAI/ PFRDA	No	<ul style="list-style-type: none"> • Direct engagement • Hosted events • Participation as panelists and industry representatives 	As required	<ul style="list-style-type: none"> • Performance and compliance reports shared with regulators including SEBI and IRDAI
Rating Research Agencies	No	Direct Engagement, as required	As required	Measuring performance on ESG-linked and financial parameters
Local Communities	Yes	<ul style="list-style-type: none"> • Baseline surveys • Focus group interviews • Programme implementation 	As required	<ul style="list-style-type: none"> • Impact assessment of CSR interventions • Monitoring and evaluation

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At regular intervals, the Board is made aware of ongoing and varied developments related to ESG. Feedback on these matters is solicited from Directors as needed. We promote frequent and proactive discussions and interactions between stakeholders and the Board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. To best identify and manage ESG-linked topics, and understand areas of improvement, ABC Group tries to engage with subject matter experts in relevant industries – internally and externally.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company identifies disadvantaged, vulnerable, and marginalized stakeholder's basis need assessment and engages with them through its CSR initiatives. The company aims to foster diversity and inclusion within its workforce, with women currently constituting 31% of the total employees. An annual survey is also conducted to encourage all employees to share their experiences at ABC Group, and the results aid the Company in identifying potential areas for improvement.



Business Responsibility & Sustainability Report (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 2023-24 (Current Financial Year)			FY 2022-23 (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	46,688	46,688	100%	34,681	34,681	100%
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (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										
Male	32,091	0	0	32,091	100%	-	-	-	-	-
Female	14,594	0	0	14,594	100%	-	-	-	-	-
Other than Permanent*										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

* Other than Permanent category consists of Fixed term contract employees, interns and outsourced (housekeeping, security, office assistants etc. on the third-party payroll). The professional fees / stipends paid to them are not comparable to the salaries paid to employees and therefore certain Other than Permanent employees are paid equal to or less than minimum wage.

3. Details of remuneration/salary/wages**a. Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	7	1,150,000	1	1,925,000*
Key Managerial Personnel	1	10,214,820	2	58,898,850
Employees other than BoD and KMP	32,091	387,492	14,594	250,008
Workers	-	-	-	-

* Only sitting fees is paid to all Directors.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	20.28%	22%

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, there are various committees responsible for human rights impacts and issues in the Company. For instance, the organization maintains a zero-tolerance policy for workplace sexual harassment and adheres to the regulations concerning the establishment of Internal Complaints Committees outlined in the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The Company has also formulated a Whistle blower policy/ vigil mechanism for Directors and Employees to report any concerns.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company maintains a strict policy of zero tolerance and prohibition against any forms of exploitative or forced labour, as well as any kind of abuse. It has established an Internal Committee (IC) in accordance with the POSH Act (2013), a Code of Conduct Committee, and a Whistleblower Policy to address and resolve any grievances.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	25	7	-	26	6	-
Discrimination at workplace	0	0		0	0	-
Child Labour	0	0		0	0	-
Forced Labour/Involuntary Labour	0	0		0	0	-
Wages	0	0		0	0	-
Other human rights related issues	0	0		0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	25	26
Complaints on POSH as a % of female employees/workers	0.17%	0.26%
Complaints on POSH upheld	25	26

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has an Internal Committee, in line with the POSH Act 2013. For Protection Against Sexual Harassment at Workplace [POSH] concerns, the Internal Committee (IC) manages cases, and ensures that all complaint made are kept confidential. In all cases, processes are in place to prevent retribution against complainants.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No. However, ABC Group is in the process of integrating social aspects, including Human rights, in its vendor agreements and contracts..



Business Responsibility & Sustainability Report (Contd.)

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable

LEADERSHIP INDICATORS**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

Not applicable

2. Details of the scope and coverage of any Human rights due diligence conducted.

Not applicable

3. 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. Wherever possible, offices premises of ABCL and its subsidiaries have been designed to be accessible for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

ABC Group has a human rights policy in place that extends to all its subsidiaries and associate companies, which strives to influence its value chain partners to adhere to the same. The Company, however, does not conduct a formal assessment of its value chain partners.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

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:**

Parameters	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	84,230.95	0.0
Total fuel consumption (B)	0.0	0.0
Energy consumption sources (C) through other	0.0	0.0
Total energy consumed from renewable sources (A+B+C)	84,230.95	0.0
From non-renewable sources		
Total electricity consumption (D) (GJ)	11,571.61	9,240.06
Total fuel consumption (E) (GJ)	209.77	175.39
Energy consumption sources (F) (GJ) through other	0	11,942.15
Total energy consumed from non-renewable sources (D+E+F) (GJ)	11,781.38	21,357.60
Total energy consumed (A+B+C+D+E+F) (GJ)	96,012.33	21,357.60
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations) – (GJ/₹ Crore)	2.46	0.71
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP) (GJ/USD)	0.0000056	0.0000016
Energy intensity in terms of physical Output (GJ/No. of Employees)**	11.79	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

** The number of employees considered for intensity calculations in terms of physical output is aligned with the boundary conditions stated in Section A of this report.

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.

Yes. DNV Business Assurance India Pvt. Ltd. (DNV).

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.

Not applicable. ABC Group does not have sites/facilities identified as designated consumer under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.



Business Responsibility & Sustainability Report (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.0	
(ii) Groundwater	0.0	
(iii) Third party water	525,240	
(iv) Seawater/desalinated water	0.0	
(v) Others	0.0	
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	525,240	
Total volume of water consumption (in kilolitres)	525,240	NA – Not Available
Water intensity per rupee of turnover (Total water consumption/Revenue from operations) (KL/₹ Crore)	13.45	
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) (KL/USD)	0.00003078	
Water intensity in terms of physical output (KL/No. of employees)*	11.25	
Water intensity (optional) – the relevant metric may be selected by the entity	-	

* The number of employees considered for intensity calculations in terms of physical output is aligned with the boundary conditions stated in Section A of this report.

** Water consumption is being reported according to CGWA, Govt. of India estimates/ guidelines, i.e. 45 liter/head/day.

*** Third Party withdrawal includes water from property owners, tankers and 20l water cans.

**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.**

Yes. DNV Business Assurance India Pvt. Ltd. (DNV).

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: * ABC Group, as a financial services company, does not engage in activities that could pollute water with harmful chemicals. The only water discharged is from the washrooms. Currently, we do not monitor water discharge.

**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.**

Yes. DNV Business Assurance India Pvt. Ltd. (DNV).

Business Responsibility & Sustainability Report (Contd.)

Note: Water consumption within the Company is confined to human use, and to minimize water usage, tap aerators have been installed. The Company is dedicated to managing water consumption and withdrawal prudently and is committed to continuing these efforts in a responsible manner.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The management of the One World Centre building, which houses the Corporate Office, operates a Sewage Treatment Plant (STP). This facility treats the wastewater generated and recycles it for use in urinals and the toilet flushing systems installed. Additionally, the treated water is used for gardening purposes in the common areas of the building.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	mg/m ³		
SOx	mg/m ³		
Particulate matter (PM)	mg/m ³		
Persistent organic pollutants (POP)	NA	NA – Not Available	
Volatile organic compounds (VOC)	NA		
Hazardous air pollutants (HAP)	mg/m ³		
Others – please specify	PPM		

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.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO ₂ equivalent	848.77	3.0
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO ₂ equivalent	2,297.41	4,825
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	tCO ₂	0.08	0.16
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO ₂ e/₹ Crore	0.000000184	0.000000368
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	tCO ₂ e/no. of employees	0.39	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

* Considered for intensity calculations in terms of physical output is aligned with the boundary conditions stated in Section A of this report

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

Yes. DNV Business Assurance India Pvt. Ltd. (DNV).



Business Responsibility & Sustainability Report (Contd.)

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail

Yes. The Company has invested in solar panel installation for its offices in select cities. Through this effort, ABC Group has been able to gradually transition to using more renewable energy in its operations.

Solar panels have been installed in office premises across 5 locations - Chennai, Bangalore, Pune, Noida and Bhopal. Additionally, ABC Group is currently in the process of expanding its installation of solar panels at select locations - a testament to its commitments towards reducing its overall emissions portfolio.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.912	46.36
E-waste (B)	3.808	0.0
Bio-medical waste (C)	0.95	NA - Not Available
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)	0.078	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	28.94	8.2
Total (A + B + C + D + E + F + G+ H)	34.69	54.56
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.00089	0.0018
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.0000000020	0.0000000042
Waste intensity in terms of physical output (MT/No. of employees)*	0.0043	NA
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-
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	34.69	53.90
(ii) Re-used	0.0	0.0
(iii) Other recovery operations	0.0	0.0
Total	34.69	53.90
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.0	0.0
(ii) Landfilling	0.0	0.0
(iii) Other disposal operations	0.0	0.0
Total	0.0	0.0

* The number of employees considered for intensity calculations in terms of physical output is aligned with the boundary conditions stated in Section A of this report.

**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.**

Yes. DNV Business Assurance India Pvt. Ltd. (DNV).

10. 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.

- The Company has partnered with a vendor ViaGreen for management of the limited waste generated through its operations. ViaGreen collects the waste every alternate day, and rewards ABC Group in the form of Swachh Bharat Points in return. The Company can redeem these points to purchase upcycled or recycled products for its offices. E.g. recycled stationery like note pads, cloth bags etc.
- To address the waste generated by use of sanitary napkins, the Company continues to work with its vendor Padcare Labs, which supports ABC Group's efforts in this space - by managing the recycling of sanitary hygiene pads, in turn preventing landfill pollution
- Given that the Company is in the Financial Services sector and is not involved in the production or manufacturing of any tangible products, it does not generate any hazardous and toxic chemicals

11. 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, please specify details in the following format:

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.
-	-	-	-
-	-	-	-

Not Applicable

12. 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 the 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

13. 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-compliances, in the following format:

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
1.				
2.				



Business Responsibility & Sustainability Report (Contd.)

LEADERSHIP INDICATORS**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated water		
(v) Others		NA – Not Applicable
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
– No treatment		
– With treatment – please specify level of treatment		
(ii) Into Groundwater		
– No treatment		
– With treatment – please specify level of treatment		
(iii) Into Seawater		
– No treatment		
– With treatment – please specify level of treatment		NA – Not Applicable
(iv) Sent to third-parties		
– No treatment		
– With treatment – please specify level of treatment		
(v) Others		
– No treatment		
– With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF6, NF3, if available)	Metric		
Total Scope 3 emissions per rupee of turnover	tonnes of CO ₂ equivalent		NA- Not Available
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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.

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

– The Company does not have any operations in ecologically sensitive areas and therefore, this indicator is not applicable

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:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Recycling of dry office waste & wet waste generated from ABC Group office areas	ABC Group has partnered with ViaGreen at select locations for its in-house waste management, across waste categories including paper and plastic waste. ViaGreen collects the waste every alternate day and has a rewards system in place - rewarding ABCL with Swachh Bharat Points in return. In turn, these points can be redeemed to purchase upcycled or recycled products for its offices.	Till date, the Company has recycled 33,737.95 Kgs of dry office waste which has the potential to offset 90.61 MTCO ₂ .
2.	ABC Group has adopted the recycling of sanitary napkins/pads through the reputed menstrual hygiene management company, Pad Card, which leverages its patented innovation called 'PadCareX'.	In order to switch to a more sustainable solution to sanitary waste disposal, the Company has tied up with Padcare Labs – to recycle sanitary hygiene pads, preventing landfill pollution and incineration that causes air pollution. For ABC Group, this began in its Mumbai offices, and the Company has now expanded this initiative across locations, including in Noida and Chennai.	In FY24 alone, we have supported the recycling of over 950 Kgs of sanitary pads – helping make a milestone contribution in our efforts towards diverting waste from landfills and preventing/reducing air pollution. As a result of our efforts, in FY24, we have saved over 19,000 Litres of landfill area - by redirecting the waste to make paper from its recycled output.
3.	Harnessing Solar energy	At ABC Group's branches in Chennai, Bangalore, Pune, Noida and Bhopal, we have installed solar panels of 42 kW, 12 kW, 20 kW, 41kW and 25 kW capacity respectively.	The company is in the process of expanding its solar power capacity, and plans to have more solar panels installed at larger office areas across India. These initiatives are a part of ABC Group's Ongoing and consistent efforts towards achieving its goal of significantly reducing its emissions



Business Responsibility & Sustainability Report (Contd.)

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4.	Composting food waste	At our Mumbai offices, the wet waste, including the food waste from the on-site cafeteria, has been composted in/by an Organic Waste Compost Machine (OWC).	The manure generated from the Organic Waste Machine is used for the plantations and horticulture of the Mumbai office properties. Thus, the wet waste is recycled and re-used efficiently and sustainably in the form of compost.
5.	Auto Power Generated and Conserved System (APGC) has been installed in urinals - to replace old battery-powered sensors.	APGC is an innovative solution where the power required to operate an automatic urinal flushing system is auto generated by the flushing system itself.	<ul style="list-style-type: none"> • It helps save water and power into urinals for hygienic flushing. • This helps save heavy battery consumption and external electric power consumption. • APGC conserves power through advanced micro-chip technology that enables the system to function 24x7 with continuous and steady power supply.
6.	Introduced centralized bins across our branches	Differently labelled bins have been placed across office spaces, to segregate waste generated by category (dry waste, wet waste)	This initiative has helped the Company further improve its recycling levels, and to help avoid the issue of mixing up of different waste categories for e.g. in bins placed under desks

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company has established a Business Continuity Policy or Plan (BCP) that encompasses the necessary measures for people, processes, and technology to ensure the continuation of business operations in the face of unforeseen threats. This includes, but is not limited to, natural disasters, operational disruptions, and damage to critical information technology systems. The BCP is designed to mitigate the impact of such events and maintain the Company's operational integrity.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

The Company has not conducted any assessment of value chain partners during the reporting period.

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.

5

(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.	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2.	The Confederation of Indian Industry (CII)	National
3.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4.	Indian Banks Association (IBA)	National
5.	Bombay Chamber of Commerce and Industry	National

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 - Nil

Name of Authority	Brief of the case	Corrective action taken
Nil		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity.

S. No.	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/Half yearly/Quarterly/Other-please specify)	Web Link, if available
Nil					



Business Responsibility & Sustainability Report (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)	Resulted communicated in public domain	Relevant Web Link
Not Applicable					

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	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community

The Company identifies stakeholders in the community based on a needs assessment and interacts with them through its Corporate Social Responsibility (CSR) initiatives. These initiatives are carried out using a participatory approach, involving all key stakeholders of the project, fostering a sense of ownership within the community, and ensuring the longevity of the project. The Company's CSR team regularly conducts focus group interviews with stakeholders, which enables the Company to address and resolve any issues faced by the community.

CSR projects are implemented in partnership with reputable project implementing agencies, as required by the Ministry of Corporate Affairs (MCA). The implementation process is inclusive, engaging all key stakeholders, thereby integrating the community into the planning and execution phases of the project. This approach not only cultivates a sense of project ownership among community members but also ensures the sustainability of the project.

The CSR team's engagement with various stakeholders facilitates the resolution of any challenges that may arise. This creates a mechanism through which the community or any other stakeholder can communicate with the Company regarding any grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/Small producers	NA	-
Directly from within India	NA	-

Not applicable, as the Company does not manufacture and hence sourcing of goods is not a part of the main activities.

Sourcing is limited to materials required to run the operations of the Company.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	16.18%	13.89%
Semi-Rural	0.05%	0.05%
Urban	65.58%	67.96%
Metropolitan	18.18%	18.09%

(Place to be categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. 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.	Rajasthan	Sirohi	17,43,147
		Baran	5,81,121
		Karauli	15,57,904
2.	Uttar Pradesh	Siddarthnagar	63,69,671
		Shravasti	1,36,81,806
3.	Bihar	Muzzafarpur	2,00,00,000
4.	Tamil Nadu	Ramnath Puram	1,15,52,566
5.	Maharashtra	Osmanabad	65,00,000
		Nandurbar	84,00,000
6.	Odisha	Kandhamal	7,44,298
		Koraput	65,33,860
		Nabrangpur	15,92,149
7.	Jharkhand	Latehar	32,33,800
		Gumla	1,13,77,200
8.	Odisha	Kalahandi	391,990

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

No

(b) From which marginalized/vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable



Business Responsibility & Sustainability Report (Contd.)

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1.	Health: <ul style="list-style-type: none"> • Comprehensive maternal & child health care • Preventive health awareness programme • Healthcare through teleconsultation • Cancer care: diagnostic, treatment, counselling, support, partnering Govt. institution for efficient access to care • Healthcare to underprivileged through Mobile Medical Units • Mental Health: Awareness, counselling, screening, treatment etc. • Need based health care initiatives like Cochlear implants, Congenital heart surgeries, surgeries to underprivileged, etc. • Support to orphanages 	453171	66%
2.	Education: <ul style="list-style-type: none"> • Strengthening of anganwadis and school infrastructure for conducive learning environment • Digital education • Disseminate science learning through a Mobile Science Lab, refurbishment of school science labs and innovation centers • Scholarship support for meritorious students from financially poor background • Student friendly supplementary education programme in English, Math and Marathi for underprivileged students • Housing support to tribal families 	145053	64%
3.	Women Empowerment & Sustainable Livelihood: <ul style="list-style-type: none"> • Improving incomes from agriculture and allied livelihood activities • Soil & Water conservation and Strengthening women institutions (Self Help Group) • Financial Literacy • Women micro-entrepreneurial activities • Strengthening community collectives to address sustainable livelihood goal. • Vocational skilling of youth 	71999	99%
4.	Sports: <ul style="list-style-type: none"> • Training, Physiotherapy, strength & conditioning • Sports medicine and injury management • Nutrition and mental health etc. 	15	40%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

To efficiently manage consumer complaints and feedback, the Company has established a four-tiered grievance mechanism that also leverages AI technologies such as Chat Bots and e-Bots, in addition to traditional email and call services.

This system enables consumers to easily contact the Company and have grievances addressed through an established escalation matrix. Additionally, the Company routinely carries out customer satisfaction surveys to gather feedback at different points in the customer's journey.

The Company and its subsidiaries continue to provide multiple channels through which customers can seek redressal and share feedback. For example, ABHFL offers customers the option to raise any grievance pertaining to services provided or to report any improper misconduct by ABHFL or its representatives through its Customer Service Helpline on 1800-270-7000, via email at care.housingfinance@adityabirlacapital.com, in writing, addressed to ABHFL's corporate office in R Tech Park, Mumbai, or in-person at any ABHFL branch. Similarly, ABSLI offers the opportunity to raise grievances through multiple channels and across escalation levels. This includes for example calling on their Customer Service Helpline (Toll Free) -1-800-270-7000, emailing at care.lifeinsurance@adityabirlacapital.com, or through a visit to any ABSLI branch. Similarly, for ABFL, customers can email and lodge their complaints at grievance.finance@adityabirlacapital.com.

All customer interactions are meticulously recorded, updated, tracked, and supervised within the Company's Customer Relationship Management (CRM) system, ensuring that resolutions are both effective and expedited.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information.

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	
Safe and responsible usage	NA – Not Available
Recycling and/or safe disposal	

3. Number of consumer complaints

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	No data breach was reported as on 31 st March 2024	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	No Cyber security breaches were reported as on 31 st March 2024	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	11,668.00	208.00	-	9,783.00	287.00	-

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls		
Forced recalls		NA – Not Applicable



Business Responsibility & Sustainability Report (Contd.)

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, the Privacy policy of the Company is available in the public domain and can be accessed via the Company's website: <https://www.adityabirlacapital.com/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.

No corrective actions taken as there were no 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.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches – 0
- b. Percentage of data breaches involving personally identifiable information of customers – 0
- c. Impact, if any, of the data breaches – Not applicable

LEADERSHIP INDICATORS**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information on various products and services of the Company is available on the Company's website, mobile application, all leading Fintech platforms, through distributors, the Company's call center, and offline (branches).

Link to the Company's website: <https://www.adityabirlacapital.com/?lob=true>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company educates consumers on safe and responsible product usage through regular email and SMS communications, social media campaigns, and continuous updates on its website.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company informs its consumers of any risk of disruption/discontinuation of services through the following means of communication:

- (a) Call Centre (b) Website (c) Email/SMS/WhatsApp (d) ABC branches

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. We ensure that product information is readily available to our customers through various channels such as digital platforms, our website, branch offices, commercial advertisements, office screen savers, and posters. This commitment to providing information goes beyond just the requirements set by local regulations.

Independent Auditor's Report

To the Members of
Aditya Birla Capital Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Aditya Birla Capital Limited (the "Company") which comprise the standalone balance sheet as at 31st March 2024, 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 material 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 31st March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Impairment of Investments

See note 2.3, 2.4 and note 8 to standalone financial statements

The key audit matter

The Company has investment in subsidiaries, associate and joint ventures (hereinafter referred as Group Companies) amounting to ₹ 11,829.59 Crore, which is significant percentage of the total assets of the Company as on 31st March 2024. These include investments in listed and unlisted securities of the Group Companies. Such investments are assessed for indicators of impairment as per requirements of Ind AS-36 Impairment of Assets.

We have identified impairment testing of investments in Group Companies as a Key Audit Matter due to the proportion and significance of the carrying value of investments in Group Companies to total assets. Further, measurement of impairment of such investments involves judgement for investments in unlisted entities in the Group.

The key areas where we identified greater level of management judgement and therefore requiring higher level of audit focus are:

- financial information used for impairment assessment;
- market information considered for identifying external sources of information;
- management's assessment of the investee company's operations, business performance;
- modifications, if any, in the auditors' report of such Group companies.

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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

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.

How the matter was addressed in our audit

Our audit procedures included the following:

Design and Controls

- Understanding of the process, evaluating the design and testing the operating effectiveness in respect of impairment assessment of investments done by management.
- Testing management's controls over collation of relevant information used for determining impairment of investments.
- Understanding of the process and testing management's controls over involvement of experts and review of reports provided by experts.

Substantive tests

- Testing the application of impairment policy by management.
- Tracing material and significant financial information used in the impairment assessment to underlying source details (internal/external).
- Testing the reasonableness and appropriateness of management's estimates considered in impairment assessment.
- Obtaining and reading latest audited financial statements of Group companies and noting key financial attributes/potential indicators of impairment.
- Testing the mathematical accuracy of management's impairment assessment workings.
- Assessing the completeness and accuracy of the disclosures made in the standalone financial statements.



Independent Auditor's Report (Contd.)

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.

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 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

Independent Auditor's Report (Contd.)

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.

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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - 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 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. 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 does not have any pending litigations which would impact its financial position.



Independent Auditor's Report (Contd.)

- 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, as disclosed in the Note 64 to the standalone financial statements, 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 person(s) or entity(ies), 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, as disclosed in the Note 64 to the standalone financial statements, 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 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 audit procedures performed 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 (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which have a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail was not enabled at the database level to log any direct data changes for the accounting software used for maintaining general ledger. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with.
- 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 Company has not paid any remuneration to its directors during the year. 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 **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashwin Suvarna
Partner
Membership No.: 109503
ICAI UDIN:24109503BKCSKG3628

Place: Mumbai
Date: 13th May 2024

Annexure A

To the Independent Auditor's Report on the Standalone Financial Statements of Aditya Birla Capital Limited for the year ended 31st March 2024

(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.
- (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 by which all property, plant and equipment are verified once in two years. In accordance with this programme, certain property, plant and equipment 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 noted 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 leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (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-to-Use of 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 an investment company, primarily rendering financial 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 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 made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:
 - (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's principal business is to give loans. Accordingly, clause 3(iii)(a) of the Order is not applicable.
 - (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, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
 - (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, the Company's principal



Annexure A to the Independent Auditor's Report (Contd.)

business is to give loans. Accordingly, clause 3(iii)(e) of the Order is not applicable.

- (f) 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 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 records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("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.
- (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.

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 Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

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 Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Cess or other statutory dues were in arrears as at 31st March 2024 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, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (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 the Company has not obtained any funds during the year. Hence, clause 3(ix)(d) of the Order is not applicable.
- (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, 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, joint

Annexure A to the Independent Auditor's Report (Contd.)

- ventures or associate companies (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 private placement of shares or fully or partly convertible debentures during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.
- (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 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) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Further, according to the information and explanations provided to us, the Company continues to fulfil the criteria of a CIC.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 8 CICs as part of the Group.
- (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



Annexure A to the Independent Auditor's Report (Contd.)

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 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 and based on the computation done as per provision of Section 135 of Companies Act, 2013, the Company is not required to spend any amount on Corporate Social Responsibility. 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 and based on the computation done as per provision of Section 135 of Companies Act, 2013, the Company is not required to spend any amount on Corporate Social Responsibility. Accordingly, clause 3(xx)(b) of the Order is not applicable.

Place: Mumbai
Date: 13th May 2024

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashwin Suvarna
Partner
Membership No.: 109503
ICAI UDIN:24109503BKCSKG3628

Annexure B

To the Independent Auditor's Report on the Standalone Financial Statements of Aditya Birla Capital Limited for the year ended 31st March 2024

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)(g) 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 Aditya Birla Capital Limited ("the Company") as of 31st March 2024 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 31st March 2024, 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 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



Annexure B to the Independent Auditor's Report (Contd.)

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 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 **BSR & Co. LLP**

Chartered Accountants

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

Ashwin Suvarna

Partner

Membership No.: 109503

ICAI UDIN:24109503BKCSKG3628

Place: Mumbai

Date: 13th May 2024

Standalone Balance Sheet

as at 31st March 2024

(₹ Crore)

Particulars	Note No.	As at 31 st March 2024	As at 31 st March 2023
I ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	9.03	1.48
(b) Bank Balances other than (a) above	4	1,043.07	0.26
(c) Receivables	5		
(i) Trade Receivables		-	-
(ii) Other Receivables		30.48	17.12
(d) Loans	6	11.22	9.70
(e) Other Financial Assets	7	1.16	1.32
(f) Investments	8	12,985.18	10,213.91
Sub Total		14,080.14	10,243.79
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)	57	2.89	1.88
(b) Investment Property	9	13.94	14.37
(c) Property, Plant and Equipment	10	5.36	5.18
(d) Right-to-Use of Assets	33	10.61	5.50
(e) Other Intangible Assets	11	-	0.03
(f) Other Non-Financial Assets	12	9.27	11.49
(g) Assets Held for Sale	50	0.09	-
Sub Total		42.16	38.45
Total Assets		14,122.30	10,282.24
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
- 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	13	16.37	6.61
- 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		-	-
(b) Lease Liabilities	33	11.78	5.90
(c) Other Financial Liabilities	14	19.06	20.29
Sub Total		47.21	32.80
(2) Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	57	0.99	30.08
(b) Provisions	15	25.11	17.23
(c) Deferred Tax Liabilities (Net)	16	100.92	99.45
(d) Other Non-Financial Liabilities	17	9.49	4.74
Sub Total		136.51	151.50
(3) Equity			
(a) Equity Share Capital	18	2,600.02	2,417.99
(b) Other Equity	19	11,338.56	7,679.95
Total Equity		13,938.58	10,097.94
Total Liabilities and Equity		14,122.30	10,282.24

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached

For **B S R & Co. LLP**

Chartered Accountants

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

Ashwin Suvarna

Partner

Membership No.: 109503

For and on behalf of the Board of Directors of

Aditya Birla Capital Limited

Vishakha Mulye

Chief Executive Officer

Pinky Mehta

Chief Financial Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

Amber Gupta

Company Secretary

S. C. Bhargava

Director

(DIN: 00020021)

Mumbai, 13th May 2024

Mumbai, 13th May 2024



Standalone Statement of Profit and Loss

for the year ended 31st March 2024

(₹ Crore)

Particulars	Note No.	Year ended 31 st March 2024	Year ended 31 st March 2023
REVENUE FROM OPERATIONS			
Interest Income	20	89.58	19.84
Dividend Income	21	75.62	186.28
Net Gain on Fair Value Changes	22	58.60	12.44
Gain on Sale of Investments	23	635.77	-
Total Revenue from Operations		859.57	218.56
Other Income	24	1.17	3.96
Total Income		860.74	222.52
EXPENSES			
(a) Finance Costs	25	0.14	0.08
(b) Impairment on Financial Instruments	26	0.01	(0.60)
(c) Employee Benefits Expense	27	30.66	25.86
(d) Depreciation and Amortisation Expenses	28	0.76	0.81
(e) Other Expenses	29	33.83	12.17
Total Expenses		65.40	38.32
Profit Before Tax		795.34	184.20
Tax Expenses			
Current Tax		109.69	43.73
Excess Provision for Current Tax Related to Earlier Years		(30.08)	-
Deferred Tax		1.45	(0.82)
Total Tax Expense (Net)		81.06	42.91
Profit After Tax		714.28	141.29
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to Profit or Loss	30	(0.16)	(0.54)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.03	0.14
Other Comprehensive Income for the Year		(0.13)	(0.40)
Total Comprehensive Income for the Year		714.15	140.89
Earnings Per Equity Share (Face Value of ₹ 10 each)			
Basic - (₹)	31	2.80	0.58
Diluted - (₹)		2.77	0.58

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For **B S R & Co. LLP**

Chartered Accountants

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

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited**Ashwin Suvarna**

Partner

Membership No.: 109503

Vishakha Mulye

Chief Executive Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

S. C. Bhargava

Director

(DIN: 00020021)

Pinky Mehta

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024Mumbai, 13th May 2024

Standalone Statement of Cash Flows

for the year ended 31st March 2024

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	795.34	184.20
Adjustments for:		
Gain on Sale of Investments	(635.77)	-
Net Gain on Fair Value Changes	(58.60)	(12.44)
Interest Income	(89.02)	(9.37)
Expense on Employee Stock Options Schemes	10.12	4.70
Depreciation and Amortisation	0.76	0.81
Finance Costs	0.14	0.08
Impairment on Financial Instruments	0.01	(0.60)
Impairment on Long-Term Investments	3.22	-
Rent Income on Investment Property	(0.53)	(0.50)
Loss on Sale of Property, Plant and Equipment	0.01	0.18
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	25.68	167.06
Adjustments for:		
(Increase)/Decrease in Loans	(1.35)	151.40
(Increase)/Decrease in Receivables	75.45	32.84
(Increase)/Decrease in Other Assets	1.22	6.31
Increase/(Decrease) in Trade Payables	9.76	2.04
Increase/(Decrease) in Other Liabilities	3.52	(2.28)
Increase/(Decrease) in Provisions	7.72	(12.41)
Cash Generated from Operations	122.00	344.96
Income Taxes Paid	(109.68)	(2.16)
Net Cash Generated from Operating Activities	12.32	342.80
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(2.16)	(4.48)
Sale of Property, Plant and Equipment	0.24	1.04
Investments in Subsidiaries	(2,011.50)	(308.95)
(Purchase)/Sale of Current Investments (Net)	(1,697.71)	(37.63)
Proceed from Sale of Shares of Associate	639.00	-
Rent Income on Investment Property	0.53	0.50
Interest Income Received	31.22	-
Net Cash (Used in) Investing Activities	(3,040.38)	(349.52)



Standalone Statement of Cash Flows (Contd.)

for the year ended 31st March 2024

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares (including Securities Premium) (Net of Share Issue Expenses)	2,962.63	-
Proceeds on account of ESOP Exercised (including Securities Premium)	70.27	8.64
Proceeds Received as Share Application Pending for Allotment (Net)	4.40	1.06
Payment towards Lease Liabilities	(1.69)	(2.97)
Net Cash Generated from Financing Activities	3,035.61	6.73
Net Increase/(Decrease) in Cash and Cash Equivalents	7.55	0.01
Cash and Cash Equivalents (Opening Balance)	1.48	1.47
Cash and Cash Equivalents (Closing Balance)	9.03	1.48
Notes:		
1 Net Cash Used in Operating Activities includes the following:-		
Dividend Received	75.62	186.28
2 Refer Note No 33. Leases for changes in liabilities arising from financing activities.		

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For **BSR & Co. LLP**

Chartered Accountants

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

Ashwin Suvarna

Partner

Membership No.: 109503

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Vishakha Mulye

Chief Executive Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

S. C. Bhargava

Director

(DIN: 00020021)

Pinky Mehta

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024

Mumbai, 13th May 2024

Standalone Statement of Changes in Equity

for the year ended 31st March 2024

(A) EQUITY SHARE CAPITAL

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of the Year	2,417.99	2,416.31
Issued during the Year	182.03	1.68
Balance at the end of the Year	2,600.02	2,417.99

(B) OTHER EQUITY

(₹ Crore)

Particulars	Share Application Pending for Allotment	Special Reserve	Capital Reserve	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Surplus as per the Statement of Profit and Loss	Equity Attributable to Shareholders of the Company
Balance as at 1st April 2022	0.12	102.62	801.35	6,087.18	14.27	167.02	319.32	7,491.88
Profit/(Loss) for the Year	-	-	-	-	-	-	141.29	141.29
Comprehensive Income for the Year (Refer Note No. 30)	-	-	-	-	-	-	(0.40)	(0.40)
Total Comprehensive Income for the Year	-	-	-	-	-	-	140.89	140.89
Application Money Received	1.06	-	-	-	-	-	-	1.06
Transfer to Special Reserve	-	28.26	-	-	-	-	(28.26)	-
Employee Stock Options Amortisation for the Year	-	-	-	-	-	39.15	-	39.15
Securities Premium on Exercise of ESOPs	-	-	-	6.97	-	-	-	6.97
Transfer to General Reserve on account of Lapse of Vested Options	-	-	-	-	3.40	(3.40)	-	-
Transferred from Share Options Outstanding on Exercise of ESOPs	-	-	-	15.47	-	(15.47)	-	-
Balance as at 31st March 2023	1.18	130.88	801.35	6,109.62	17.67	187.30	431.95	7,679.95



Standalone Statement of Changes in Equity (Contd.)

for the year ended 31st March 2024

(₹ Crore)

Particulars	Share Application Pending for Allotment	Special Reserve	Capital Reserve	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Surplus as per the Statement of Profit and Loss	Equity Attributable to Shareholders of the Company
Balance as at 1st April 2023	1.18	130.88	801.35	6,109.62	17.67	187.30	431.95	7,679.95
Profit/(Loss) for the Year	-	-	-	-	-	-	714.28	714.28
Comprehensive Income during the Year (Refer Note No. 30)	-	-	-	-	-	-	(0.13)	(0.13)
Total Comprehensive Income for the Year	-	-	-	-	-	-	714.15	714.15
Application Money Received	4.40	-	-	-	-	-	-	4.40
Issue of Equity Shares (Refer Note No. 47)	-	-	-	2,824.29	-	-	-	2,824.29
Transfer to Special Reserve	-	142.86	-	-	-	-	(142.86)	-
Employee Stock Options Amortisation for the Year	-	-	-	-	-	89.19	-	89.19
Securities Premium on Exercise of ESOPs	-	-	-	63.95	-	-	-	63.95
Transfer to General Reserve on account of Lapse of Vested Options	-	-	-	-	0.79	(0.79)	-	-
Share Issue Expenses	-	-	-	(37.37)	-	-	-	(37.37)
Transferred from Share Options Outstanding on Exercise of ESOPs	-	-	-	41.03	-	(41.03)	-	-
Balance as at 31st March 2024	5.58	273.74	801.35	9,001.52	18.46	234.67	1,003.24	11,338.56

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For **B S R & Co. LLP**

Chartered Accountants

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

Ashwin Suvarna

Partner

Membership No.: 109503

For and on behalf of the Board of Directors of

Aditya Birla Capital Limited**Vishakha Mulye**

Chief Executive Officer

Arun Kumar AdhikariDirector
(DIN: 00591057)**S. C. Bhargava**Director
(DIN: 00020021)**Pinky Mehta**

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024Mumbai, 13th May 2024

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Aditya Birla Capital Limited (“the Company”) is a listed public company having its registered office at Indian Rayon Compound, Veraval – 362 266, Gujarat. The Company currently operates as a Non-Deposit Taking Core Investment Company registered with the RBI vide certificate no. B.01.00555, dated 16th October 2015. The Company is a majority owned subsidiary of Grasim Industries Limited.

Information on other related party relationships of the Company is provided refer Note No. 37.

The financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 13th May 2024.

The financial statements have been prepared and presented on the going concern basis, the relevant provisions of the act and the guidelines and directives issued by the Reserve Bank of India (RBI) to the extent applicable. The financial statements have been prepared at historical cost, except for the following assets and liabilities, which have been subsequently measured at fair value:

- Derivative Financial Instruments measured at fair value.
- Certain financial assets and financial liabilities at fair value.
- Employee’s Defined Benefits Plans as per actuarial valuation.

2. MATERIAL ACCOUNTING POLICIES

2.1 Presentation of Financial Statements

The Company presents its financial statements to comply with Division III of Schedule III of the Companies Act, 2013, which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS) and the requirements of Ind AS. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more

than 12 months after the reporting date (non-current) is presented in Note No. 42.

Financial assets and financial liabilities are generally reported gross in the Balance Sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business, and
- The event of default.

2.2 Functional and Presentation Currency

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Division III of Schedule III of the Act, except when otherwise indicated.

2.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value. Further, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, that are attributable to the acquisition of the financial asset, are added to the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost,
- Debt instruments at fair value through other comprehensive income (FVTOCI),
- Debt instruments, derivatives and equity instruments and mutual funds at fair value, through profit or loss (FVTPL), and



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt Instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments, included within the FVTOCI category, are measured initially, as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals, and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss, previously recognised in OCI, is reclassified from the equity to the Statement of Profit and Loss. Interest earned, whilst holding FVTOCI debt instrument, is reported as interest income using the EIR method.

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity Investments

Investments in Subsidiaries, Associates and Joint Ventures are out of scope of Ind AS 109, and, hence, the Company has accounted for its investments in Subsidiaries, Associates and Joint Ventures at cost.

All other equity investments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Company has irrevocable option to present in OCI, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition, and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments.

Equity instruments, included within the FVTPL category, are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of Financial Assets

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivables;

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

With the exception of Purchased or Originated Credit-Impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., that results from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e., lifetime ECL that results from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument, if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently for credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company's policy is always to measure loss allowances for lease receivables as lifetime ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Company, if the holder of the commitment draws down the loan, and the cash flows that the Company expects to receive, if the loan is drawn down; and
- For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement

of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Credit-Impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event, instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that, as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly, and there are no other indicators of impairment. For financial assets, where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment, including meeting the definition of default. The definition of default (see below) includes unlikelihood to pay indicators and a back-stop, if amounts are overdue for 90 days or more.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Purchased or Originated Credit-Impaired (POCI) Financial Assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in the Statement of Profit and Loss. A favourable change for such assets creates an impairment gain.

Definition of Default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD), which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation to the Company; or
- The borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing, if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, e.g., in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal (NCLT), which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty, are key inputs in this analysis. The Company uses a variety of sources of information to assess default, which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments, unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Significant Increase in Credit Risk

The Company monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk, since initial recognition. If there has been a significant increase in credit risk, the Company will measure the loss allowance based on lifetime rather than 12-month ECL. The Company's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Company monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Modification and Derecognition of Financial Assets

A modification of a financial asset occurs when the contractual terms, governing the cash flows of a financial asset, are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows, either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

not yet affect the cash flows immediately, but may affect the cash flows depending on whether the covenant is or is not met (e.g., a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where, although, the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default, or default has already happened, and the borrower is expected to be able to meet the revised terms. The revised terms, in most of the cases, include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification, are no longer SPPI,
- change in currency or change of counterparty, and
- the extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

- A. In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL, except in the rare occasions where the new loan is considered to be originated credit-impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount, because there remains a high risk of default, which has not been reduced by the modification. The Company monitors credit risk of

modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in the past due status under the new terms.

- B. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:
- the remaining lifetime PD estimated based on the data at initial recognition and the original contractual terms; with
 - the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL, when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows, arising from the modified financial asset, are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset, and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part, that is no longer recognised, and the sum of the consideration received for the part no longer recognised, and any cumulative gain/loss allocated to it, that had been recognised in OCI, is recognised in the Statement of Profit and Loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write Off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to the financial assets written off. Recoveries

resulting from the Company's enforcement activities will result in impairment gains.

Presentation of Allowance for ECL in the Statement of Balance Sheet

Loss allowances for ECL are presented in the Statement of Balance Sheet as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- for debt instruments measured at FVTOCI: no loss allowance is recognised in the Balance Sheet as the carrying amount is at fair value.

Where a financial instrument includes both a drawn and an undrawn component, and the Company cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.

Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss, if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial assets.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial assets between the part it continues to recognise under continuing involvement, and the part is no longer recognised on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Statement of Profit and Loss, if such gain/loss would have otherwise been recognised in the Statement of Profit and Loss on disposal in the Statement of Profit and Loss, if such gain/loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are classified, at initial recognition:

- At fair value through profit or loss, except:
- Loans and borrowings,
- Payables, or

- As derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings, and payables are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurements

The measurement of financial liabilities depends on its classification, as described below:

Financial Liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and 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 included as finance costs in the Statement of Profit and Loss.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4 Fair Value Measurements

The Company measures financial instruments such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities (for which fair value is measured or disclosed in the financial statements) are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 -	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.

The Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities, which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at banks, including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.6 Investment Property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The Company, based on technical assessment made by the Management, depreciates the building on a straight-line basis over estimated useful lives of 60 years. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Asset Category	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Investment Property	60 Years	60 Years

Though the Company measures investment property, using cost-based measurement, the fair value of investment property is disclosed in Note No. 56.

2.7 Property, Plant and Equipment, (PPE) and Depreciation

On transition to Ind AS, the Company has elected to continue with the carrying value of all its PPE recognised as at 1st April 2017, measured as per the previous GAAP, and used that carrying value as the deemed cost of the PPE.

PPE are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repair and maintenance expenses, are charged to the Statement of Profit and Loss, during the period in which they are incurred.

Depreciation on PPE is provided on Straight-Line Method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013, or estimated by the Management. The Company has used the following useful life to provide depreciation on its PPE.

Asset Category	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Office Equipment (Computers)	3 Years	4 Years
Vehicles	6 Years	4 Years
Furniture and Fixtures	10 Years	5 Years

Useful life of assets different from the corresponding life specified in Schedule II has been estimated by the Management supported by technical assessments.

The estimated useful lives and residual values of the PPE are reviewed at the end of each financial year.

PPE, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

Depreciation on the PPE added/disposed off/discarded during the year is provided from/upto the date when added/disposed off/discarded.

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.8 Intangible Assets and Amortisation

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as at 1st April 2017, measured as per the previous GAAP and used that carrying value as the deemed cost of the intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss, unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses, arising from the retirement or disposal of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised as income or expense in the Statement of Profit and Loss.

Intangible assets and their useful lives are as under:

Assets	Estimate Useful Life
Exclusive Images	3 Years
Computer Software	3 Years

The estimated useful lives of the intangible assets and the amortisation period are reviewed at the end of each financial year, and the amortisation period is revised to reflect the changed pattern, if any.

Research and Development Costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

It is amortised over the period of expected future benefits. Amortisation expenses are recognised in the Statement of Profit and Loss, unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

2.9 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units, for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment, at least annually, and whenever there is an indication then the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but, so that, the increased carrying amount does

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

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.

Finance Lease

The Company as a Lessee

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value, and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is less. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs are capitalised.

Operating Lease

The Company as a Lessee

The Company's lease asset classes primarily consist of leases for land and buildings. 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: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits

from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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 include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

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 of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis, unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash-Generating Unit (CGU) to which the asset belongs.

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 the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets, if the Company changes its assessment on exercise of an extension or a termination option.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

The Company as a Lessor

Leases, for which the Company is a lessor, are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

2.11 Employee Benefits

Short-Term Employee Benefits

Liabilities for salaries, including non-monetary benefits and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as liabilities (and expensed), and are measured at the amounts expected to be paid when the liabilities are settled.

The Company also recognises a liability and records an expense for bonuses (including performance-linked bonuses) where contractually obliged or where there is a past practice that has created a constructive obligation.

Defined Contribution Plans

Provident Fund: The Company makes defined contributions to employee provident fund and employee pension schemes administered by government organisations, set up under the applicable statute.

Superannuation Fund: Superannuation schemes administered by a trust set up by Grasim Industries Limited ("the Holding Company").

Defined Benefits Plans (Gratuity Obligation)

The obligation in respect of defined benefits plans, which covers Gratuity, which is provided for on the basis of

an actuarial valuation at the end of each financial year. Gratuity is funded with an approved trust.

In respect of Gratuity being post-retirement benefits, remeasurements, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable), and the return on plan assets (excluding net interest) are reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings, and will not be reclassified to the Statement of Profit and Loss.

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Company recognises related restricting costs.

The Company recognises the following changes in the net defined benefits obligation under employee benefit expenses in the Statement of Profit and Loss:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- net interest expense or income.

The Company presents the above two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee Benefits Expenses'.

The present value of the defined benefit plans liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefits plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Other Long-Term Benefits

The expected costs of other long-term employee benefits, such as long-term service incentive plan benefits (not being share-based payments), are accrued over the period

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

of employment using the same accounting methodology as used for defined benefits plans. Remeasurement gains and losses, arising from experience adjustments and changes in actuarial assumptions, are charged or credited to the Statement of Profit and Loss in the period in which they arise.

2.12 Employee Share-Based Payments

Equity-Settled Transactions

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model.

The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, the amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

2.13 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

2.14 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

- a) Dividend income is accounted for when the right to receive the income is established.
- b) Interest income is accounted for all financial instruments measured at amortised cost or at fair value through other comprehensive income. Interest

income is recorded using the EIR which is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Interest income on all trading assets and financial assets, mandatorily required to be measured at FVTPL, is recognised using the contractual interest rate in net gain on fair value changes.

2.15 Borrowings Costs

Borrowing costs, attributable to acquisition and construction of qualifying assets, are capitalised as a part of the cost of such assets upto the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.16 Taxes

a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income-tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

b) Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 taxation authority.

2.17 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.18 Statement of Cash Flows

Statement of Cash Flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Company are segregated.

2.19 Earnings Per Share (EPS)

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted-average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.20 Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements, in conformity, with the Ind AS, requires judgements, estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although, these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimated is recognised in the period in which the results

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

are known or materialised. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Judgements

Aditya Birla Capital Limited holds, either directly or through its subsidiaries, more than half of the equity shareholding in the following entities. However, as per the shareholders' agreement/statute, the Company needs to jointly decide with other shareholders of the respective entity on certain relevant activities.

Hence, the same are being accounted as per equity method of accounting.

- a) Aditya Birla Sun Life AMC Limited
- b) Aditya Birla Sun Life Trustee Company Private Limited
- c) Aditya Birla Wellness Private Limited

Estimates and Assumptions

The key assumptions, concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful Lives of Property, Plant and Equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the Management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Measurement of Defined Benefits Obligations

The cost of the defined benefits gratuity plan and the present value of the gratuity obligation are determined

using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefits obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recognition of Deferred Tax Assets

Availability of future taxable profit against which the tax losses carried forward can be used.

Recognition and Measurement of Provisions and Contingencies

Key assumptions about the likelihood and magnitude of an outflow of resources.

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 values are measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share-Based Payments

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Impairment of Financial Assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a. The Company's internal credit grading model, which assigns PDs to the individual grades.
- b. The Company's criteria for assessing, if there has been a significant increase in credit risk, and so,

allowances for financial assets, should be measured on a LTECL basis and the qualitative assessment.

- c. The segmentation of financial assets when their ECL is assessed on a collective basis.
- d. Development of ECL models, including the various formulas and the choice of inputs.
- e. Determination of associations between macro-economic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- f. Selection of forward-looking macro-economic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust, when necessary.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 3 CASH AND CASH EQUIVALENTS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Cash on Hand	-	-
Balances with Banks		
Current Accounts	9.03	1.48
	9.03	1.48

NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Fixed Deposit Accounts (with Original Maturity Period of more than 3 months and less than 12 months)	1,042.81	-
Others - Money Due for Refund on Fractional Shares	0.26	0.26
	1,043.07	0.26

NOTE: 5 RECEIVABLES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
i) Trade Receivables	-	-
ii) Other Receivables (Carried at Amortised Cost, except otherwise stated)		
Receivables from Related Parties (Unsecured, Considered Good)	30.48	17.12
	30.48	17.12

NOTE: 6 LOANS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(Carried at Amortised Cost, except otherwise stated)		
Unsecured, Considered Good		
Loans to Employees	5.27	5.35
Inter-Corporate Deposits (including Accrued Interest thereon)	6.00	4.39
Less: Impairment Loss Allowance (Refer Note No. 43)	(0.05)	(0.04)
	11.22	9.70



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Type of the Borrower	31 st March 2024		31 st March 2023	
	Gross Amount of Loans or Advances in the Nature of Loan Outstandings	Percentage to the Total Loans and Advances in the Nature of Loans	Gross amount of Loans or Advances in the Nature of Loan Outstandings	Percentage to the Total Loans and Advances in the Nature of Loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	5.01	44.46%	5.23	53.69%
Related Parties	6.00*	53.23%	4.39**	45.08%

* Repayable as per terms of loans

** Repayable as per terms of loans with call option

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
I) Loans in India		
Public Sector	-	-
Others	11.27	9.74
Gross (A)	11.27	9.74
Less: Impairment Loss Allowance (B)	(0.05)	(0.04)
Net (A) - (B)	11.22	9.70
II) Loans Outside India (A)	-	-
Less: Impairment Loss Allowance (B)	-	-
Net (A) - (B)	-	-

(₹ Crore)

Name of the Subsidiary Companies/Associates/Firms or Companies in which directors are interested*	Amount Outstanding		Maximum Balance Outstanding During the Year Ended	
	Current Year	Previous Year	Current Year	Previous Year
Subsidiary Companies				
Aditya Birla Stressed Asset AMC Private Limited	-	4.39	4.39	12.50
Aditya Birla Capital Technology Services Limited	-	-	-	86.00
Aditya Birla ARC Limited	6.00	-	40.00	67.00
Aditya Birla Money Mart Limited	-	-	-	30.00

* Used for business purpose.

NOTE: 7 OTHER FINANCIAL ASSETS

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
(Carried at Amortised Cost, except otherwise stated)		
Unsecured, Considered Good		
Security Deposits	1.16	1.32
	1.16	1.32

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

NOTE: 8 INVESTMENTS

Particulars		As at 31 st March 2024		As at 31 st March 2023	
A.	Investments in Subsidiaries Equity Instruments (At Cost)				
	Quoted Investments				
	Aditya Birla Money Limited	248.30		248.30	
	Less: Diminution in Investment of Aditya Birla Money Limited	41.59	206.71	41.59	206.71
	Unquoted Investments				
	Aditya Birla Finance Limited		7,212.65		5,612.65
	Aditya Birla Sun Life Insurance Company Limited		1,518.03		1,339.53
	Aditya Birla Housing Finance Limited		1,217.66		1,217.66
	Aditya Birla Capital Digital Limited		253.00		25.00
	Aditya Birla ARC Limited		100.00		100.00
	Aditya Birla Money Mart Limited		93.20		93.20
	Aditya Birla Stressed Asset AMC Private Limited		14.80		14.80
	Aditya Birla PE Advisors Private Limited		3.50		3.50
	Aditya Birla Financial Shared Services Limited		0.05		0.05
	Aditya Birla Capital Technology Services Limited (Refer Note No. 53)	9.27		9.27	
	Less: Diminution in Investment of Aditya Birla Capital Technology Services Limited	9.27	-	6.05	3.22
	Aditya Birla Trustee Company Private Limited		0.05		0.05
	Aditya Birla Insurance Brokers Limited (Refer Note No. 51)		0.30		0.30
	Total Subsidiaries Equity Investments (A)		10,619.95		8,616.67
B.	Investments in Joint Ventures Equity Instruments (At Cost)				
	Unquoted Investments				
	Aditya Birla Sun Life Trustee Private Limited		0.02		0.02
	Aditya Birla Wellness Private Limited		17.75		17.75
	Aditya Birla Health Insurance Co. Limited (Refer Note No. 51)		997.53		997.53
	Total Joint Ventures Equity Investments (B)		1,015.30		1,015.30
C.	Investments in Associates Equity Instruments (At Cost)				
	Quoted Investments				
	Aditya Birla Sun Life AMC Limited (Refer Note No. 50)		29.75		33.06
	Total Associates Equity Investments (C)		29.75		33.06



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars		As at 31 st March 2024	As at 31 st March 2023
D. Investments in Preference Shares (At Amortised Cost)			
Unquoted Investments			
4% Redeemable Non-Convertible Non-Cumulative Preference Shares of Aditya Birla Money Limited		91.99	86.50
0.1% Redeemable Non-Convertible Non-Cumulative Preference Shares of Aditya Birla Money Mart Limited		52.20	47.72
Total Preference Investments	(D)	144.19	134.22
E. Investments in Preference Shares (At FVTPL)			
Unquoted Investments			
0.001% Compulsory Convertible Cumulative Preference Shares of Aditya Birla Capital Technology Services Limited (Refer Note No. 53)		14.98	14.98
Less: Adjustment on account of Fair Value Change		14.98	-
			12.56
			2.42
0.01% Compulsory Convertible Preference Shares of Aditya Birla ARC Limited		21.00	16.00
Less: Adjustment on account of Fair Value Change		0.60	20.40
			0.58
			15.42
	(E)	20.40	17.84
F. Investments in Mutual Funds (At FVTPL)			
Unquoted Investments			
ABSL Liquid Fund - Growth - Direct		855.04	396.82
Units - 2,19,42,071.417 (31 st March 2023 Units 1,09,29,312.186)			
ABSL Money Manager Fund - Growth-Direct		300.55	-
Units - 88,19,249.290 (31 st March 2023 Units NIL)			
	(F)	1,155.59	396.82
Total Investments	(A)+(B)+(C)+(D)+(E)+(F)	12,985.18	10,213.91
Investments In India		12,985.18	10,213.91
Investments Outside India		-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 9 INVESTMENT PROPERTY

		(₹ Crore)
Particulars		Investment Property
Gross Carrying Value		
As at 1st April 2022		16.87
Additions during the year		-
Deletions during the year		-
As at 31st March 2023		16.87
Additions during the year		-
Deletions during the year		-
As at 31st March 2024		16.87
Accumulated Depreciation		
As at 1st April 2022		2.06
Depreciation for the year		0.44
Deletions during the year		-
As at 31st March 2023		2.50
Depreciation for the year		0.43
Deletions during the year		-
As at 31st March 2024		2.93
Net Carrying Value as at 31st March 2024		13.94
Net Carrying Value as at 31 st March 2023		14.37

NOTE: 10 PROPERTY, PLANT AND EQUIPMENT

					(₹ Crore)
Particulars	Furniture and Fixtures	Office Equipment	Vehicles		Total
Gross Carrying Value					
As at 1st April 2022	6.70	2.04	5.84		14.58
Additions during the year	0.02	0.24	4.23		4.48
Deletions during the year	6.39	0.07	3.65		10.10
As at 31st March 2023	0.33	2.21	6.42		8.96
Additions during the year	0.25	0.14	1.77		2.16
Deletions during the year	0.06	1.55	2.13		3.74
As at 31st March 2024	0.52	0.80	6.06		7.38
Accumulated Depreciation					
As at 1st April 2022	5.24	1.75	3.74		10.73
Depreciation for the year	0.96	0.11	0.86		1.93
Deletions during the year	6.07	0.04	2.77		8.88
As at 31st March 2023	0.13	1.83	1.82		3.78
Depreciation for the year	0.07	0.13	1.53		1.73
Deletions during the year	0.06	1.53	1.90		3.49
As at 31st March 2024	0.14	0.43	1.45		2.02
Net Carrying Value as at 31st March 2024	0.38	0.37	4.61		5.36
Net Carrying Value as at 31st March 2023	0.20	0.38	4.60		5.18



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 11 INTANGIBLE ASSETS

(₹ Crore)

Particulars	Exclusive Images	Computer Software	Total
Gross Block			
As at 1st April 2022	4.94	2.76	7.70
Additions during the year	-	-	-
Deletions during the year	-	-	-
As at 31st March 2023	4.94	2.76	7.70
Additions during the year	-	-	-
Deletions during the year	-	-	-
As at 31st March 2024	4.94	2.76	7.70
Accumulated Amortisation			
As at 1st April 2022	4.94	2.65	7.59
Amortisation for the year	-	0.08	0.08
Deletions during the year	-	-	-
As at 31st March 2023	4.94	2.73	7.67
Amortisation for the year	-	0.03	0.03
Deletions during the year	-	-	-
As at 31st March 2024	4.94	2.76	7.70
Net Carrying Value as at 31st March 2024	-	-	-
Net Carrying Value as at 31st March 2023	-	0.03	0.03

Note: The Company does not have any internally generated Intangible Assets.

NOTE: 12 OTHER NON-FINANCIAL ASSETS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(Unsecured, except otherwise stated)		
Advance for Capital Expenditure	-	0.37
Gratuity Fund Receivables (Refer Note No. 38)	6.50	8.37
Prepaid Expenses	2.14	1.98
Advance for Expenses	0.06	0.02
Deferred Expenses related to Employee Loan	0.57	0.75
	9.27	11.49

NOTE: 13 TRADE PAYABLES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	16.37	6.61
	16.37	6.61

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024				
	Outstanding for the following periods from the Due Date of Payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	16.37	-	-	-	16.37
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

(₹ Crore)

Particulars	As at 31 st March 2023				
	Outstanding for the following periods from the Due Date of Payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	6.61	-	-	-	6.61
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Based on the information received by the Company from “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to any suppliers covered under this Act as at the Balance Sheet Date, and hence, disclosures relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

NOTE: 14 OTHER FINANCIAL LIABILITIES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(Carried at Amortised Cost, except otherwise stated)		
Payables for Capital Expenditure	0.05	0.05
Security Deposit Payable	0.25	0.25
Payables Related to Employees	18.76	19.99
	19.06	20.29

NOTE: 15 PROVISIONS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
For Employee Benefits		
Compensated Absence	1.83	1.61
Gratuity (Refer Note No. 38)	8.76	10.39
Long-Term Incentive Plan	14.04	4.61
Others		
On Financial Guarantee (Refer Note No. 32 (a))	0.48	0.62
	25.11	17.23



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 16 DEFERRED TAX LIABILITIES (NET)

(₹ Crore)

Particulars	As at	
	31 st March 2024	31 st March 2023
Deferred Tax Liabilities		
Impact of Fair Valuation on account of Business Combination*	98.82	98.82
Income from Preference Shares Held at Amortised Cost	4.74	3.84
Gain on Fair Valuation of Investments in Units of Mutual Funds	1.08	1.71
Gross Deferred Tax Liabilities	104.64	104.37
Deferred Tax Assets		
Carry Forward Long-Term Capital Loss	-	2.40
Depreciation/Amortisation	1.63	1.73
Leave Encashment	0.47	0.41
Investment Property	0.74	0.22
Ind AS 116 Impact - Lease Accounting	0.62	0.10
Others	0.26	0.06
Gross Deferred Tax Assets	3.72	4.92
Deferred Tax Liabilities/(Assets) (Net)	100.92	99.45

* Deferred tax on account of difference between fair value and carrying value of a subsidiary at the time of business combination as per Ind AS 103

NOTE: 17 OTHER NON-FINANCIAL LIABILITIES

(₹ Crore)

Particulars	As at	
	31 st March 2024	31 st March 2023
Statutory Dues	7.51	4.48
Unpaid Fractional Warrants	0.26	0.26
Others	1.72	-
	9.49	4.74

NOTE: 18 SHARE CAPITAL

(₹ Crore)

Particulars	As at	
	31 st March 2024	31 st March 2023
Authorised:		
4,00,00,00,000 (Previous Year 4,00,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Paid-up:		
Equity Share Capital		
2,60,00,21,884 (Previous Year 2,41,79,94,042) Equity Shares of ₹ 10/- each fully paid-up	2,600.02	2,417.99
	2,600.02	2,417.99

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

1) Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the year

Sr. No.	Description	As at	As at
		31 st March 2024	31 st March 2023
		Equity Shares	Equity Shares
1	Number of Shares Outstanding at the beginning of the Year	2,41,79,94,042	2,41,63,11,986
2	Allotment of fully Paid-up Shares during the Year	18,20,27,842	16,82,056
a)	Qualified Institutional Placement (Refer Note No. 47)	10,00,00,000	-
b)	Preferential Issuance (Refer Note No. 47)	7,57,11,688	-
c)	Employee Stock Options Plan (Refer Note No. 35)	63,16,154	15,01,345
d)	ABCL Incentive Plan 2017 (Refer Note No. 36)	-	1,80,711
3	Number of Shares Outstanding at the end of the Year (1+2)	2,60,00,21,884	2,41,79,94,042

2) Term/Right 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.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

3) Equity Shares in the Company held by each shareholder holding more than 5 per cent Shares and the number of Equity Shares held are as under:

Equity Shares

Sr. No.	Name of the Shareholder	As at 31 st March 2024		As at 31 st March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Grasim Industries Limited	1,36,98,09,351	52.68%	1,30,92,40,000	54.15%
2	Birla Group Holdings Private Limited	18,45,06,156	7.10%	18,45,06,156	7.63%

4) The Number of Shares held in the Company by each promoter is as under:

Equity Shares

Sr. No.	Name of the Promoter	As at 31 st March 2024			As at 31 st March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	% Change during the Year	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Grasim Industries Limited	1,36,98,09,351	52.68%	-1.46%	1,30,92,40,000	54.15%
2	Birla Group Holdings Private Limited	18,45,06,156	7.10%	-0.53%	18,45,06,156	7.63%
3	Essel Mining and Industries Limited*	5,36,92,810	2.07%	2.07%	-	-
4	IGH Holdings Private Limited*	-	-	-2.22%	5,36,92,810	2.22%
5	Hindalco Industries Limited	3,95,11,455	1.52%	-0.11%	3,95,11,455	1.63%
6	Umang Commercial Company Private Limited	3,74,44,766	1.44%	-0.11%	3,74,44,766	1.55%
7	Pilani Investment and Industries Corporation Limited	3,36,01,721	1.29%	-0.10%	3,36,01,721	1.39%
8	PT Indo Bharat Rayon	2,80,05,628	1.08%	-0.08%	2,80,05,628	1.16%



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Sr. No.	Name of the Promoter	As at 31 st March 2024			As at 31 st March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	% Change during the Year	No. of Shares Held	% of Total Paid-up Equity Share Capital
9	Surya Kiran Investments Pte Limited	3,76,49,337	1.45%	0.52%	2,25,07,000	0.93%
10	Thai Rayon Public Company Limited	26,95,000	0.10%	-0.01%	26,95,000	0.11%
11	PT Sunrise Bumi Textiles	17,76,250	0.07%	-0.01%	17,76,250	0.07%
12	PT Elegant Textile Industry	11,32,250	0.04%	0.00%	11,32,250	0.05%
13	Birla Institute of Technology and Science	9,25,687	0.04%	0.00%	9,25,687	0.04%
14	Ms. Rajashree Birla	7,73,989	0.03%	0.00%	7,73,989	0.03%
15	ECE Industries Limited	4,71,931	0.02%	0.00%	4,71,931	0.02%
16	Renuka Investments & Finance Limited	3,39,059	0.01%	0.00%	3,39,059	0.01%
17	Ms. Vasavadatta Bajaj	1,65,951	0.01%	0.00%	1,65,951	0.01%
18	Aditya Vikram Kumar Mangalam Birla HUF	1,25,608	0.00%	0.00%	1,25,608	0.01%
19	Birla Industrial Finance (India) Limited	1,22,479	0.00%	0.00%	1,22,479	0.01%
20	Birla Consultants Limited	1,22,334	0.00%	0.00%	1,22,334	0.01%
21	Ms. Neerja Birla	1,02,286	0.00%	0.00%	1,02,286	0.00%
22	Mr. Kumar Mangalam Birla	51,790	0.00%	0.00%	51,790	0.00%
23	Birla Industrial Investments (India) Limited	26,119	0.00%	0.00%	26,119	0.00%
24	Vikram Holdings Private Limited	1,050	0.00%	0.00%	1,050	0.00%
25	Vaibhav Holdings Private Limited	938	0.00%	0.00%	938	0.00%
26	Rajratna Holdings Private Limited	938	0.00%	0.00%	938	0.00%

* On 26th April 2023 Essel Mining and Industries Ltd. (EMIL) has acquired 5,36,92,810 Equity Shares from IGH Holdings Private Limited, wholly owned subsidiary of EMIL through inter-se transfer. The acquisition was under Regulation 10(1) of SEBI (SAST) Regulation and regulation 4(1) of SEBI (PIT) Regulations. Pursuant to the same, EMIL has become part of Promoter Group.

- 5) During the last five years no Bonus Shares were issued.
- 6) Details of the Shares reserved for issue under Employee Stock Options Plan (ESOP) of the Company are disclosed in Note Nos. 35 and 36.

NOTE: 19 OTHER EQUITY

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
1) Share Application Pending for Allotment		
Opening Balance	1.18	0.12
Additions:		
Application Money Received related to Exercise of ESOPs	81.03	10.53
Deductions:		
Allotment of Shares related to Exercise of ESOPs	76.63	9.47
	5.58	1.18

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
2) Special Reserve (b)		
Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934		
Opening Balance	130.88	102.62
Additions:		
Transfer from Surplus in the Statement of Profit and Loss	142.86	28.26
	273.74	130.88
3) Capital Reserve	801.35	801.35
4) Securities Premium		
Opening Balance	6,109.62	6,087.18
Additions:		
Issue of Equity Shares (Refer Note No. 47)	2,824.29	-
Securities Premium on Exercise of ESOPs	63.95	6.97
Transferred from Share Options Outstanding on Exercise of ESOPs	41.03	15.47
Deletion:		
Share Issue Expenses in relation Qualified Institutional Placement and Preferential Issuance	37.37	-
	9,001.52	6,109.62
5) Share Options Outstanding Account		
Opening Balance	187.30	167.02
Additions:		
Employee Stock Options Charge for the Year (Refer Note No. 35)	89.19	39.15
Deductions:		
Transferred to Securities Premium on Exercise of ESOPs	41.03	15.47
Transfer to General Reserve on account of Lapse of Vested Options	0.79	3.40
	234.67	187.30
6) General Reserve		
Opening Balance	17.67	14.27
Additions:		
Transfer from Share Options Outstanding Account on account of Lapse of Vested Options	0.79	3.40
	18.46	17.67
7) Surplus/(Deficit) in the Statement of Profit and Loss		
Opening Balance	431.95	319.32
Additions:		
Profit for the Year	714.28	141.29
Other Comprehensive Income for the Year arising from remeasurement of Defined Benefits Plans (Refer Note No. 30)	(0.13)	(0.40)
Less: Appropriations:		
Transfer to Special Reserve	142.86	28.26
	1,003.24	431.95
Total Other Equity	11,338.56	7,679.95



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

- a) **Securities Premium:** Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- b) **Special Reserve:** Special Reserve represents reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.
- c) **General Reserve:** General Reserve represents vested ESOPs that have lapsed. 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.
- d) **Capital Reserve:** It represents reserve created during demerger from Grasim Industries Limited.
- e) **Employee Share Options Outstanding:** The Company has stock options schemes under which options to subscribe for the Company's shares have been granted to certain employees including key management personnel. The Employee Share Options Outstanding reserve is used to recognise the value of equity-settled share-based payments provided to employees, as part of their remuneration.

NOTE: 20 INTEREST INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
On Financial Assets		
Interest on Loans	0.83	10.71
Interest Income from Investments	9.97	9.13
Interest on Deposits with Banks	78.78	-
	89.58	19.84

NOTE: 21 DIVIDEND INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
From Associate	75.62	156.27
From Subsidiaries	-	30.01
	75.62	186.28

NOTE: 22 NET GAIN ON FAIR VALUE CHANGES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Net Gain on Financial Instruments held at Fair Value Through Profit or Loss (FVTPL)	58.60	12.44
	58.60	12.44
Fair Value Changes:		
Realised	50.16	5.98
Unrealised	8.44	6.46

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 23 GAIN ON SALE OF INVESTMENT

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
On Equity Investment (Refer Note No. 50)	635.77	-
	635.77	-

NOTE: 24 OTHER INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest Income		
On Income Tax Refund	-	3.01
On Other Financial Assets Held at Amortised Cost	0.09	0.09
On Loans Held at Amortised Cost	0.40	0.33
Profit on Sale of Property, Plant and Equipment	-	0.02
Rent Income on Investment Property	0.53	0.50
Miscellaneous Income	0.15	0.01
	1.17	3.96

NOTE: 25 FINANCE COSTS

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest on Lease Liabilities	0.89	0.50
	0.89	0.50
Less: Recovery of Expenses	(0.75)	(0.42)
	0.14	0.08

NOTE: 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
On Loans Held at Amortised Cost	0.01	(0.60)
	0.01	(0.60)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 27 EMPLOYEE BENEFITS EXPENSES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Salaries and Wages	78.95	78.41
Contribution to Provident and Other Funds (Refer Note No. 38 (B))	1.96	2.34
Contribution to Gratuity Fund (Refer Note No. 38)	0.78	1.26
Expenses on Employee Stock Options Schemes (Refer Note No. 35)	41.02	18.38
Staff Welfare Expenses	1.43	0.89
	124.14	101.28
Less: Recovery of Expenses	(93.48)	(75.42)
	30.66	25.86

NOTE: 28 DEPRECIATION AND AMORTISATION EXPENSES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Depreciation on Property, Plant and Equipment	1.73	1.93
Depreciation on Investment Property	0.43	0.44
Amortisation on Intangible Assets	0.03	0.08
Amortisation on Lease Assets	2.81	2.49
	5.00	4.94
Less: Recovery of Expenses	(4.24)	(4.13)
	0.76	0.81

NOTE: 29 OTHER EXPENSES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Repairs and Maintenance	5.43	4.15
Insurance	1.51	1.38
Rates and Taxes	0.36	0.07
Advertisement and Sales Promotion Expenses	23.60	4.93
Legal and Professional Expenses	10.04	10.39
Auditors' Fees and Expenses	1.89	1.73
Impairment on Long-Term Investment	3.22	-
Directors' Fees	0.77	1.21
Travelling and Conveyance	2.59	1.52
Loss on Sale of Property, Plant and Equipment	0.01	0.20
Printing and Stationery	0.21	0.22
Communication Expenses	0.06	0.16
Electricity Charges	0.35	0.24
Miscellaneous Expenses	4.68	7.20
	54.72	33.40
Less: Recovery of Expenses	(20.89)	(21.23)
	33.83	12.17

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 30 OTHER COMPREHENSIVE INCOME

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Items that will not be reclassified to Profit or Loss		
Remeasurement of Post-Employment Benefits Obligations (Refer Note 38 (A) (i))	(0.64)	(2.11)
	(0.64)	(2.11)
Less: Transfer of OCI	(0.48)	(1.57)
	(0.16)	(0.54)
Less: Income Tax relating to Remeasurement of Post-Employment Benefits Obligations	0.03	0.14
	(0.13)	(0.40)

NOTE: 31 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 - EARNINGS PER SHARE

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Earnings Per Share (EPS) is calculated as under:		
Weighted-Average Number of Equity Shares for calculation of Basic EPS (A)	2,55,53,68,985	2,41,67,87,413
Add: Dilutive Impact of Employee Stock Options	1,96,30,531	94,86,527
Weighted-Average Number of Equity Shares for calculation of Diluted EPS (B)	2,57,49,99,516	2,42,62,73,940
Nominal Value of Shares (₹)	10.00	10.00
Profit Attributable to Equity Holders (C)	714.28	141.29
Basic EPS (₹) (C/A)	2.80	0.58
Diluted EPS (₹) (C/B)	2.77	0.58

NOTE: 32 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent Liabilities

The Company has issued Corporate Guarantees to National Housing Bank on behalf of its subsidiary Aditya Birla Housing Finance Limited (ABHFL) of ₹ 3,500 Crore upto 31st March 2024 (Previous Year ₹ 3,500 Crore) for ABHFL borrowing, against which the outstanding borrowing in the books of ABHFL as at 31st March 2024 is ₹ 1,607.52 Crore (Previous Year ₹ 2,057.71 Crore). As per the terms of the Guarantee, the Company's liability is capped at the outstanding amount on invocation.

b) Capital Commitments

- i) The Company has ₹ Nil as commitments towards Property, Plant and Equipment as at 31st March 2024 (Previous Year ₹ 0.37 Crore).
- ii) Pursuant to the Shareholders' Agreement entered into with Sun Life Financial (India) Insurance Investments Inc. and its holding Company Sun Life Assurance Company of Canada by Aditya Birla Capital Limited, in respect of Aditya Birla Sun Life Insurance Company Limited (ABSLI), the Company will infuse its share of capital in ABSLI from time to time to meet the solvency requirement, prescribed by the regulatory authority. Transfer of investments in ABSLI is restricted by the terms contained in Shareholders' Agreements entered into by the Aditya Birla Capital Limited.
- iii) Pursuant to the Shareholders' Agreement entered into with Momentum Metropolitan Strategic Investments (Proprietary) Limited and Platinum Jasmine A 2018 Trust by Aditya Birla Capital Limited, in respect of Aditya Birla Health Insurance Co. Limited (ABHI), the Company will infuse its share of capital in ABHI from time to time to meet the solvency requirement, prescribed by the regulatory authority.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

33. LEASES

Disclosure Pursuant to Indian Accounting Standard ("Ind AS") 116

Following are the changes in the carrying value of Right-of-Use Assets

Particulars	(₹ Crore)	
	Category of ROU Asset - Leasehold Premises	
Gross Carrying Value		
As at 1 st April 2022		13.17
Additions during the year		-
Deletions during the year		0.11
As at 31st March 2023		13.06
Additions during the year		12.31
Deletions during the year		13.06
As at 31st March 2024		12.31
Accumulated Amortisation		
As at 1 st April 2022		5.07
Amortisation for the year		2.49
Deletions during the year		-
As at 31st March 2023		7.56
Amortisation for the year		2.81
Deletions during the year		8.67
As at 31st March 2024		1.70
Net Carrying Value as at 31st March 2024		10.61
Net Carrying Value as at 31st March 2023		5.50

Amounts recognised in Profit and Loss

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Amortisation Expenses on Right-of-Use Assets	2.81	2.49
Less: Recovery of Expenses	(2.38)	(2.09)
Total (A)	0.43	0.40
Interest Expenses on Lease Liabilities	0.89	0.50
Less: Recovery of Expenses	(0.75)	(0.42)
Total (B)	0.14	0.08
Grand Total (A) + (B)	0.56	0.48

The following is the break-up of Current and Non-Current Lease Liabilities

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Current Lease Liabilities	2.99	3.02
Non-Current Lease Liabilities	8.79	2.88
Total	11.78	5.90

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

The following is the movement in Lease Liabilities

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Opening Balance	5.90	8.45
Additions:		
Lease Premises	12.31	-
Finance Costs Accrued during the Year	0.89	0.50
Deletions:		
Lease Premises	5.63	0.08
Payment of Lease Liabilities	1.69	2.97
Closing Balance	11.78	5.90

The table below provides details regarding the Contractual Maturities of Lease Liabilities on an undiscounted basis:

Particulars*	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Less than one year	3.10	3.12
One to five years	10.69	3.20
Total	13.79	6.32

* There are no Non-Cancellable Operating Leases.

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.

NOTE: 34 PAYMENT TO STATUTORY AUDITORS

During the year, the Company made the following payments to Statutory Auditors:

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Audit Fees	1.14	1.01
Limited Review	0.45	0.45
Tax Audit	0.07	0.09
Other Services	1.57*	0.05
Re-imburement of Expenses	0.24	0.13
Total	3.46	1.73

* Adjusted in securities premium as related to qualified institutional placement and preferential issuance.

NOTE: 35 DISCLOSURE UNDER EMPLOYEE STOCK OPTIONS SCHEME

a) Stock Options Scheme 2017

At the Annual General Meeting held on 19th July 2017, the shareholders of the Company approved the grant of not more than 3,22,86,062 Equity Shares by way of grant of Stock Options ("ESOPs") and Restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 2,40,62,864 ESOPs and 57,42,636 RSUs under the Scheme titled "Aditya Birla Capital Limited Employee Stock Options Scheme 2017" in 3 categories of Long-Term Incentive Plans ("LTIP"), identified as LTIP 1, LTIP 2, and LTIP 3. The Scheme allows the Grant of Stock Options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Plan Period	2017-2019	2017-2021	2017-2019	2017-2022
Quantum of Grant	43,43,750	1,15,57,872	13,98,886	1,25,04,992
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	100% (2 years)	25% p.a. (4 years)	100% (2 years)	20% p.a. (5 years)
Vesting Condition(s)	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	11.08.2017	11.08.2017	11.08.2017	11.08.2017
Grant/Exercise Price (₹ Per Share)	10.0	115.0	10.0	115.0
Value of Equity Shares as on the Date of Grant of Original Option (₹ Per Share)	139.0	139.0	139.0	139.0

Granted during the Financial Year - 2023-2024 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 3	LTIP 1	LTIP 3
Instrument	ESOP	RSU	PRSU
Plan Period	2023-2026	2023-2024	2023-2025
Quantum of Grant	20,07,180	1,14,962	6,45,669
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Period	50% vesting in first year and 50% in second year from the Date of Grant	100% vesting in one year from the Date of Grant	100% vesting in second year from the Date of Grant
Vesting Condition(s)	75% of annual planning & budget targets	Continued Employment	60% of Cumulative planning & budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	02.08.2023	02.08.2023	02.08.2023
Grant/Exercise Price (₹ Per Share)	124.2	10.0	10.0

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2022-2023 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 1	LTIP 1
Instrument	ESOP	RSU	PRSU
Plan Period	2022-2025	2022-2023	2022-2023
Quantum of Grant	11,73,306	13,94,915	1,65,434
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Period	33.33% vesting over 3 years from the Date of Grant	100%, One year from the Date of Grant	100% vesting at the end of third year from the Date of Grant
Vesting Condition(s)	Continued employment	Continued employment	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	01.08.2022	01.08.2022	15.03.2023
Grant/Exercise Price (₹ Per Share)	106.4	10.0	10.0

Granted during the Financial Year - 2021-2022 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2
Instrument	ESOP	ESOP
Plan Period	2021-2025	2021-2025
Quantum of Grant	2,69,352	1,40,352
Method of Accounting	Fair Value	Fair Value
Vesting Period	Equal vesting in 4 years from the Date of Grant	Equal vesting in 4 years from the Date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target immediately preceding the Date of Vesting	75% of the Profit Before Tax achievement against annual performance target immediately preceding the Date of Vesting
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	14.05.2021	30.09.2021
Grant/Exercise Price (₹ Per Share)	119.4	114.2



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2020-2021 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 3
Instrument	ESOP	ESOP
Plan Period	2021-2022	2021-2022
Quantum of Grant	1,10,424	1,40,439
Method of Accounting	Fair Value	Fair Value
Vesting Period	One year from the Date of Grant	One year from the Date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	75% of the Profit Before Tax achievement against annual performance target
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	05.02.2021	05.02.2021
Grant/Exercise Price (₹ Per Share)	90.4	90.4

Granted during the Financial Year - 2019-2020 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2	LTIP 3	LTIP 3	LTIP 2	LTIP 3
Instrument	ESOP	ESOP	ESOP	RSU	ESOP	RSU
Plan Period	2019-2023	2019-2023	2019-2024	2019-2021	2020-2024	2020-2023
Quantum of Grant	5,60,376	3,07,020	4,41,704	7,686	7,98,768	5,23,810
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	25% p.a. (4 years)	25% p.a. (4 years)	20% p.a. (5 years)	100% (2 years)	25% p.a. (4 years)	100% (3 years)
Vesting Condition(s)	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning & budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	02.08.2019	18.10.2019	18.10.2019	18.10.2019	25.02.2020	25.02.2020
Grant/Exercise Price (₹ Per Share)	82.4	76.4	76.4	10.0	87.1	10.0

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Granted during Financial Year - 2018-2019 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 3	LTIP 3
Instrument	ESOP	RSU
Plan Period	2018-2023	2018-2020
Quantum of Grant	16,23,834	3,00,000
Method of Accounting	Fair Value	Fair Value
Vesting Period	20% p.a. (5 years)	100% (2 years)
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	09.04.2018	09.04.2018
Grant/Exercise Price (₹ Per Share)	115.0	10.0

Details of Activities in the Plan as on 31st March 2024

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	PRSU	ESOP
Options/RSUs Outstanding at the beginning of the year	19,78,782	1,01,95,506	2,70,734	1,24,01,881
Granted during the year	1,14,962	-	6,45,669	20,07,180
Exercised during the year	1,48,050	32,41,794	-	29,26,310
Lapsed during the year	27,750	1,91,600	-	11,939
Options/RSUs Outstanding at the end of the year	19,17,944	67,62,112	9,16,403	1,14,70,812
Options/RSUs Remaining Unvested at the end of the year	2,80,396	20,46,378	6,45,669	24,48,884
Options/RSUs Exercisable at the end of the year	16,37,548	47,15,734	2,70,734	90,21,928

Details of Activities in the Plan as on 31st March 2023

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	6,24,723	96,42,838	8,72,906	1,31,80,030
Granted during the year	15,60,349	11,73,306	-	-
Exercised during the year	1,66,686	6,20,638	6,00,672	1,13,349
Lapsed during the year	39,604	-	1,500	6,64,800
Options/RSUs Outstanding at the end of the year	19,78,782	1,01,95,506	2,70,734	1,24,01,881
Options/RSUs Remaining Unvested at the end of the year	15,60,349	39,34,225	2,40,734	49,85,023
Options/RSUs Exercisable at the end of the year	4,18,433	62,61,281	30,000	74,16,858



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Fair Valuation

The fair value of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes-Merton Formula. The key assumptions and the Fair Value are as:

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Risk-Free Interest Rate (%)	6.5% to 7.4%	6.2% to 7.0%	6.5% to 7.2%	6.5% to 7.6%
Option Life (Years)	3.5 to 5.5	3.5 to 6.5	4.5	3.5 to 7.5
Expected Volatility	38.5% to 41.8%	36.2% to 46.5%	35.4% to 41.6%	37.0% to 46.5%
Expected Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%
Weighted-Average Fair Value Per Option (₹)	98.5 to 188.4	41.5 to 119.4	131.6 to 189.1	73.1 to 119.9

b) Stock Options and Performance Stock Unit Scheme 2022

The shareholders of the Company, vide a special resolution passed through Postal Ballot on 16th October 2022, approved the Scheme titled "Aditya Birla Capital Limited Employee Stock Options and Performance Stock Unit Scheme 2022" ("ABCL Scheme 2022") for granting Employee Stock Options ("Options") and Employee Performance Stock Units ("PSUs") (collectively referred to as, "the Stock Options") exercisable into not more than 4,10,71,270 Equity Shares. ABCL Scheme 2022 allows the grant of Stock Options to employees of the Company, and its group company(ies) including its Holding Company and Subsidiary Company(ies) and Associate Company(ies) (whether working in India or outside India) that meet the eligibility criteria. Each Stock Option confers a right upon the Grantee to apply for 1 (one) Equity Share. Out of these, the Nomination, Remuneration and Compensation Committee has granted 1,39,54,991 Options and 63,60,714 PSUs under ABCL Scheme 2022.

Granted during the Financial Year - 2022-2023 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Instrument	PSU	ESOP	ESOP	ESOP
Plan Period	2022-2025	2022-2025	2022-2025	2022-2025
	59,53,984	1,27,75,439	8,51,231	3,28,321
Quantum of Grant	3,01,081			
	1,05,649			
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	100% vesting at the end of third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Instrument	PSU	ESOP	ESOP	ESOP
Vesting Condition(s)	Continued Employment and Rating of DFP and above in the year of vesting. 60% of Cumulative Aggregate PBT for 3 years	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against Annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning & budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	07.11.2022 02.02.2023 15.03.2023	07.11.2022	02.02.2023	15.03.2023
Grant/Exercise Price (₹ Per Share)	10.0	124.2	136.5	145.0

Granted during Financial Year - 2023-2024 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 1	LTIP 2
Instrument	RSU	ESOP
Plan Period	2023-2027	2023-2027
	1,35,481	3,37,331
Quantum of Grant	1,59,291	3,26,435
	16,40,750	2,04,428
	10,35,219	10,68,855
Method of Accounting	Fair Value	Fair Value
Vesting Period	100% vesting at the end of third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Features	LTIP 1	LTIP 2
Vesting Condition(s)	Continued Employment and Rating of DFP and above in the year of vesting. 60% of Cumulative Aggregate PBT for 3 years	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
	11.05.2023	11.05.2023
Grant Date	02.08.2023	02.08.2023
	03.11.2023	03.11.2023
	01.02.2024	01.02.2024
Grant/Exercise Price (₹ Per Share)	10.0	170.9 - 196.1

Details of Activities in the Plan as on 31st March 2024

Instrument	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	63,60,714	1,39,54,991
Granted during the year	29,70,741	19,37,049
Exercised during the year	-	-
Lapsed during the year	5,17,747	10,99,102
Options/RSUs Outstanding at the end of the year	88,13,708	1,47,92,938
Options/RSUs Remaining Unvested at the end of the year	88,13,708	1,47,92,938
Options/RSUs Exercisable at the end of the year	-	-

Details of Activities in the Plan as on 31st March 2023

Instrument	RSU	ESOP
Options/RSUs Outstanding at beginning of the year	-	-
Granted during the year	63,60,714	1,39,54,991
Exercised during the year	-	-
Lapsed during the year	-	-
Options/RSUs Outstanding at the end of the year	63,60,714	1,39,54,991
Options/RSUs Remaining Unvested at the end of the year	63,60,714	1,39,54,991
Options/RSUs Exercisable at the end of the year	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Fair Valuation

The fair value of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes-Merton Formula. The key assumptions and the Fair Value are as:

Instrument	RSU	ESOP
Risk-Free Interest Rate (%)	7.3%-7.6%	7.3%-7.6%
Option Life (Years)	5.5	4.5 to 5.5
Expected Volatility	40.4% to 41.8%	40.4% to 42.7%
Expected Dividend Yield (%)	0.00%	0.00%
Weighted-Average Fair Value Per Option (₹)	117.6 to 189.5	57.2 to 96.6

NOTE: 36 ABCL INCENTIVE PLAN 2017

The Scheme titled as “ABCL Incentive Scheme for Stock Options and Restricted Stock Units – 2017 (ABCL Incentive Scheme)” was approved by the shareholders through postal ballot on 10th April 2017. The Nomination, Remuneration and Compensation Committee of the Company at its meeting held on 15th January 2018, granted 14,65,927 ESOPs and 2,52,310 Restricted Stock Units (RSUs) (collectively called as “Stock Options”) to the eligible grantees pursuant to the Composite Scheme of Arrangement between erstwhile Aditya Birla Nuvo Limited (now merged with Grasim Industries Limited), Grasim Industries Limited and Aditya Birla Capital Limited. The Stock Options allotted under the Scheme are convertible into equal number of Equity Shares.

The vesting conditions and the vesting dates under the ABCL Incentive Scheme shall follow the same vesting conditions, as applicable, to the Grantees under the corresponding Grasim Employee Benefit Schemes 2006 and 2013.

Particulars	ABCL Incentive Scheme	
	Options	RSUs
Plan Period	As per Grasim Employee Benefit Schemes 2006 and 2013	
Quantum of Grant	14,65,927	2,52,310
Method of Accounting	Fair Value	Fair Value
Vesting Period	The Options and RSUs shall deemed to have been vested from the original date of grant under the Grasim ESOP Schemes 2006 and 2013, and shall be subject to a minimum vesting period of one year from the date of original grant, and would vest not earlier than one year and not later than five years from the date of grant of Options and RSUs, or such other period as may be determined by the Nomination, Remuneration and Compensation Committee.	
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target	
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	15.01.2018	15.01.2018
Grant/Exercise Price (₹ Per Share)	10.0	10.0



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Re-granted during the Financial Year - 2020-2021 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Particulars	Options
Plan Period	2021-2022
Quantum of Grant	25,585
Method of Accounting	Fair Value
Vesting Period	One year from the Date of Grant
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target
Exercise Period	5 years from the Date of Vesting
Grant Date	05.03.2021
Grant/Exercise Price (₹ Per Share)	10.0

Details of Activities in the Plan

Particulars	ABCL Incentive Scheme			
	As at 31 st March 2024		As at 31 st March 2023	
	Options	RSUs	Options	RSUs
Options/RSUs Outstanding at the beginning of the year	15,324	3,418	1,96,035	3,418
Granted during the year	-	-	-	-
Exercised during the year	-	-	1,80,711	-
Lapsed during the year	-	-	-	-
Options/RSUs Outstanding at the end of the year	15,324	3,418	15,324	3,418

NOTE: 37 RELATED PARTY DISCLOSURES

List of Related Parties as per Ind AS 24:

Holding Company

Grasim Industries Limited

Subsidiaries

Aditya Birla Finance Limited

Aditya Birla Housing Finance Limited

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Sun Life Pension Management Limited (100% Subsidiary of Birla Sun Life Insurance Company Limited)

Aditya Birla Capital Digital Limited

Aditya Birla Money Limited

Aditya Birla Money Mart Limited

Aditya Birla Money Insurance Advisory Services Limited (100% Subsidiary of Aditya Birla Money Mart Limited)

Aditya Birla Insurance Brokers Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Trustee Company Private Limited

Aditya Birla PE Advisors Private Limited

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Aditya Birla ARC Limited

Aditya Birla Stressed Asset AMC Private Limited

ABARC-AST-001-Trust

ABARC-AST-008-Trust

ABARC-AST-010-Trust

Aditya Birla Special Situation Fund - 1

Associates

Aditya Birla Sun Life AMC Limited

Joint Ventures

Aditya Birla Health Insurance Co. Limited (Joint Venture w.e.f. 21st October 2022)

Aditya Birla Wellness Private Limited

Aditya Birla Sun Life Trustee Private Limited

Other Related Parties in which Directors are Interested

Aditya Birla Management Corporation Private Limited

Birla Management Centre Services Private Limited

Olive Bar & Kitchen Private Limited

Post-Employment Benefits Plans

Grasim Industries Limited - Employee's Gratuity Fund

Key Managerial Personnel

Mr. Kumar Mangalam Birla (Chairman and Non-Executive Director)

Dr. Santrupt Misra (Non-Executive Director) (Ceased to be a Director w.e.f. 18th August 2023)

Mr. Sushil Agarwal (Non-Executive Director)

Mr. Romesh Sobti (Non-Executive Director)

Mr. Arun Kumar Adhikari (Independent Director)

Mr. P. H. Ravikumar (Independent Director)

Mr. S. C. Bhargava (Independent Director)

Ms. Vijayalakshmi Rajaram Iyer (Independent Director)

Ms. Vishakha Mulye (Chief Executive Officer) (w.e.f. 1st July 2022)

Mr. Ajay Srinivasan (Chief Executive Officer) (Till 30th June 2022)

Refer **Annexure 1** for the transactions with related parties.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 38 RETIREMENT BENEFITS

Disclosure in respect of Employee Benefits pursuant to Ind AS -19

A) Defined Benefits Plans:

Particulars	(₹ Crore)	
	As at/For the Year ended 31 st March 2024	As at/For the Year ended 31 st March 2023
i) Amounts Recognised in the Balance Sheet in respect of Gratuity		
Present Value of the funded Defined Benefits Obligations at the end of the Year	8.76	10.39
Rights from insurance policies that exactly match the amount and timing of some of the benefits payable under the plan. Those benefits have a present value of ₹ 6.50 Crore (Previous Year ₹ 8.37 Crore)		
Amounts Recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Service Cost	0.70	1.29
Interest on Net Defined Benefits Liabilities/(Assets)	0.07	(0.03)
Net Gratuity Cost	0.78	1.26
Amount Recognised in Other Comprehensive Income (OCI) for the Year		
Actual Returns on Plan Assets excluding Interest Income	0.27	1.46
Actuarial Changes Arising from Changes in Demographic Assumptions	-	-
Actuarial Changes Arising from Changes in Financial Assumptions	0.11	(0.33)
Actuarial Changes Arising from Changes in Experience Assumptions	0.26	0.98
Closing Amount Recognised in OCI outside Profit and Loss Account	0.64	2.11
ii) Reconciliation of Present Value of the Obligations and the Fair Value of the Plan Assets:		
Change in Net Liabilities/(Assets)		
Opening Net Defined Benefits Liabilities/(Assets)	11.16	7.51
Expenses Charged to Profit and Loss	0.78	1.26
Amount Recognised Outside Profit and Loss - OCI	0.64	2.11
Employer Contribution	2.02	0.28
Closing Net Defined Benefits Liabilities/(Assets)	14.59	11.16
Change in Present Value of the Obligations:		
Opening Defined Benefits Obligations	10.40	15.09
Current Service Cost	0.70	1.29
Interest Cost	0.70	0.94
Actuarial Changes Arising from Changes in Demographic Assumptions	-	-
Actuarial Changes Arising from Changes in Financial Assumptions	0.11	(0.33)
Actuarial Changes Arising from Changes in Experience Assumptions	0.26	0.98
Benefits Paid	(3.41)	(7.57)
Closing Defined Benefits Obligations	8.76	10.40
Change in Fair Value of the Reimbursement Rights:		
Opening Fair Value of the Plan Assets	8.37	14.80
Interest Income on Plan Assets	0.62	0.96
Actual Return on Plan Assets less Interest on Plan Assets	(0.27)	(1.46)
Contributions by the Employer	2.02	0.28
Benefits Paid	(4.24)	(6.21)
Closing Fair Value of the Reimbursement Rights	6.50	8.37

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

iii) Funding Arrangement and Policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax Rules for such approved schemes. Due to the restrictions in the type of investments, that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

Estimated amount of contribution expected to be paid to the fund during the annual period after the Balance Sheet date is ₹ 0.87 Crore (Previous Year ₹ 0.76 Crore).

Maturity Profile of Defined Benefits Obligations

During the year, the Company made the following payments to Statutory Auditors:

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
1 year	0.36	2.04
2 to 5 years	7.63	6.38
6 to 10 years	4.96	7.86
More than 10 years	14.21	16.62

The Weighted-Average duration to the payment of these cash flows is 7 years (Previous Year 7 years).

iv) Quantitative Sensitivity Analysis for Significant Assumption is as below:

Increase/Decrease in Present Value of Defined Benefits Obligations at the end of the year

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Amount	(%)	Amount	(%)
i) 50 Bps Increase in Discount Rate	8.52	-2.71%	10.12	-2.55%
ii) 50 Bps Decrease in Discount Rate	9.01	2.84%	10.67	2.68%
i) 50 Bps Increase in Rate of Salary Increase	9.01	2.94%	10.68	2.77%
ii) 50 Bps Decrease in Rate of Salary Increase	8.51	-2.83%	10.11	-2.66%
i) 50% Increase in Employee Turnover Rate	8.33	-4.92%	9.93	-4.41%
ii) 50% Decrease in Employee Turnover Rate	9.29	6.12%	10.97	5.55%
i) 10% Increase in Employee Mortality Rate	8.76	0.06%	10.40	0.05%
ii) 10% Decrease in Employee Mortality Rate	8.75	-0.06%	10.38	-0.05%



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

v) Sensitivity Analysis Method

These sensitivities have been calculated to show the movement in defined benefits obligations in isolation, and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Particulars	As at	As at
	31 st March 2024	31 st March 2023
	Non-Quoted Value	Non-Quoted Value
Disaggregation of Plan Assets		
Government Debt Instruments	5.19%	6.93%
Corporate Bonds	0.52%	0.64%
Insurer Managed Funds	39.80%	41.32%
Others	54.49%	51.11%
Grand Total	100.00%	100.00%

There are no amount included in the Fair Value of Plan Assets for:

- i) The Company's own financial instrument
- ii) Property occupied by or other assets used by the Company

vi) Principal Actuarial Assumptions at the Balance Sheet Date

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Discount Rate	7.21%	7.44%
Salary Escalation	7.50%	7.50%
Mortality Rate during Employment	IALM (2012-14)	IALM (2012-14)
Rate of Employee Turnover	5.00%	5.00%
Normal Retirement Age	60 Years	60 Years

Disability:- Leaving service due to disability is included in the provision made for all causes of leaving service (as above).

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B) Defined Contribution Plans:

Particulars	Year ended	Year ended
	31 st March 2024	31 st March 2023
Contribution to Employee Provident Fund and Pension	1.74	1.97
Contribution to Superannuation Fund	0.22	0.37
Total	1.96	2.34

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 39 FAIR VALUES

The carrying amount of trade payables, other financial liabilities, loans, other financial assets, cash and cash equivalents, deposits with bank, receivables as at 31st March 2024 and 31st March 2023, are considered to be the same as their respective fair values, due to their short-term nature.

As at 31st March 2024

(₹ Crore)

Particulars	Amortised Cost	Mandatorily at FVTPL	FVTOCI	Designated at FVTPL	Total Carrying Amount
(a) Cash and Cash Equivalents	9.03	-	-	-	9.03
(b) Bank Balance other than (a) above	1,043.07	-	-	-	1,043.07
(c) Receivables					
(i) Trade Receivables	-	-	-	-	-
(ii) Other Receivables	30.48	-	-	-	30.48
(d) Loans	11.22	-	-	-	11.22
(e) Other Financial Assets	1.16	-	-	-	1.16
(f) Investments	11,809.19	1,175.99	-	-	12,985.18
Total Financial Assets	12,904.15	1,175.99	-	-	14,080.14
(a) Payables					
- 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	16.37	-	-	-	16.37
(b) Lease Liabilities	11.78	-	-	-	11.78
(c) Other Financial Liabilities	19.06	-	-	-	19.06
Total Financial Liabilities	47.21	-	-	-	47.21

As at 31st March 2023

(₹ Crore)

Particulars	Amortised Cost	Mandatorily at FVTPL	FVTOCI	Designated at FVTPL	Total Carrying Amount
(a) Cash and Cash Equivalents	1.48	-	-	-	1.48
(b) Bank Balance other than (a) above	0.26	-	-	-	0.26
(c) Receivables					
(i) Trade Receivables	-	-	-	-	-
(ii) Other Receivables	17.12	-	-	-	17.12
(d) Loans	9.70	-	-	-	9.70
(e) Other Financial Assets	1.32	-	-	-	1.32
(f) Investments	9,799.25	414.66	-	-	10,213.91
Total Financial Assets	9,829.13	414.66	-	-	10,243.79
(a) Payables					
- 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	6.61	-	-	-	6.61
(b) Lease Liabilities	5.90	-	-	-	5.90
(c) Other Financial Liabilities	20.29	-	-	-	20.29
Total Financial Liabilities	32.80	-	-	-	32.80



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 40 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Principles for Estimating Fair Value

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at 31st March 2024. The different levels have been defined as follows:

Level 1: Category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2: Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable.

Level 3: Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that 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. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

As at 31st March 2024

(₹ Crore)

Particulars	Total	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit or Loss				
Investments in Mutual Funds	1,155.59	-	1,155.59	-
Investments in Preference Shares	20.40	-	-	20.40
Total Financial Assets	1,175.99	-	1,155.59	20.40

As at 31st March 2023

(₹ Crore)

Particulars	Total	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit or Loss				
Investments in Mutual Funds	396.82	-	396.82	-
Investments in Preference Shares	17.84	-	-	17.84
Total Financial Assets	414.66	-	396.82	17.84

The carrying amount of trade payables, other financial liabilities, loans, other financial assets, cash and cash equivalents, as at 31st March 2024 and 31st March 2023, are considered to be the same as their respective fair values, due to their short-term nature. These are classified as Level 3 in the fair value hierarchy due to consideration of unobservable inputs including counterparty credit risk in determination of the carrying amount/fair value.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

During the reporting period ending 31st March 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

- a) The Fair Valuation of Preference Shares is based on independent valuers report.
- b) The Fair Valuation of Unquoted Mutual Funds Units is done based on NAV of units.

Fair Valuation

(₹ Crore)				
Financial Assets Held at FVTPL	As at 31 st March 2024	As at 31 st March 2023	Valuation Approach	Significant Unobservable Input
Preference Shares (Compulsory Convertible Cumulative Preference Shares)	20.40	17.84	a) Yield to Maturity ("YTM") and cost approach b) Net assets value of the investee company c) Discounted cash flow method	Discount Rates

Reconciliation of Level 3 Fair Value Instruments

(₹ Crore)			
Particulars	As at 31 st March 2024	As at 31 st March 2023	
Balance at the beginning of the Year	17.84	12.20	
Gains or Losses			
in Profit or Loss	(2.44)	(0.36)	
in OCI	-	-	
Purchases	5.00	6.00	
Balance at the end of the Year	20.40	17.84	

NOTES: 41 FINANCIAL RISK MANAGEMENT

The Company, being a Core Investment Company as per Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016, is required to invest or lend majority of its funds to its Subsidiaries, Joint Ventures and Associates. The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to support the Company's operations. The Company's principal financial assets include Investments, inter-corporate deposits, cash and cash equivalents, bank deposits, and other receivables.

The Company is exposed to certain financial risks, such as equity investment risk, market risk, credit risk and liquidity risk. The Company's Senior Management oversees the management of these risks. The Company's Senior Management is supported by a Risk Management Committee that advises on financial risks and the appropriate risk management - framework for the Company. The Risk Management Committee provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies, and procedures and that Material risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Material financial risks are summarised below:

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure, and makes adjustments in light of changes in economic conditions. The Company monitors that as per CIC guidelines, Adjusted Net Worth shall at no point of time be less than 30% of its aggregate risk weighted assets on Balance Sheet and risk adjusted value of off-Balance Sheet items as on the date of the last audited Balance Sheet as at the end of the financial year. Refer Note No. 59 for the disclosures.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

Equity Investment Risk

The Company's investments in listed and non-listed equity securities are accounted at cost in the financial statements net of impairment. The expected cash flows from these entities are regularly monitored internally and also independently by third party valuer, wherever necessary, to identify impairment indicators.

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. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss. These are primarily unquoted Compulsorily Convertible Preference Shares of subsidiaries and investments in mutual funds, where investments are not significant in relation to the size of its total investments. The fair value change of these investments, if any, are regularly monitored.

Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter-corporate deposits to subsidiaries and loans to employees, where no significant impact on credit risk has been identified.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flows of financial assets and financial liabilities. The Company invests its surplus funds in debt schemes of mutual funds, which carry low mark-to-market risks and fixed deposits which does not carry mark-to-market risks. Also refer Note No. 42 for maturity analysis of assets and liabilities.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities.

(₹ Crore)					
As at 31 st March 2024	Less than 3 Months	3 Months to 12 Months	12 Months to 36 Months	36 Months to 60 Months	More than 60 Months
Financial Liabilities					
Trade Payables	16.36	-	-	-	-
Lease Liabilities	0.76	2.34	6.67	4.02	-
Other Financial Liabilities	-	18.81	0.25	-	-
Total	17.11	21.15	6.92	4.02	-

(₹ Crore)					
As at 31 st March 2023	Less than 3 Months	3 Months to 12 Months	12 Months to 36 Months	36 Months to 60 Months	More than 60 Months
Financial Liabilities					
Trade Payables	6.61	-	-	-	-
Lease Liabilities	0.78	2.34	3.20	-	-
Other Financial Liabilities	-	19.33	0.96	-	-
Total	7.39	21.67	4.16	-	-

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 has limited exposure to the risk of changes in market interest rate as it has investments in Mutual Funds (debt) and bank deposits (fixed interest rate) and does not have any borrowings.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 42 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.

Particulars	As at 31 st March 2024			As at 31 st March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial Assets						
(a) Cash and Cash Equivalents	9.03	-	9.03	1.48	-	1.48
(b) Bank Balances other than (a) above	1,042.81	0.26	1,043.07	-	0.26	0.26
(c) Receivables - Others	30.48	-	30.48	17.12	-	17.12
(d) Loans	6.32	4.90	11.22	4.58	5.12	9.70
(e) Other Financial Assets	-	1.16	1.16	-	1.32	1.32
(f) Investments	1,207.79	11,777.39	12,985.18	396.82	9,817.09	10,213.91
Non-Financial Assets						
(a) Tax Assets (Net)	-	2.89	2.89	-	1.88	1.88
(b) Investment Property	-	13.94	13.94	-	14.37	14.37
(c) Property, Plant and Equipment	-	5.36	5.36	-	5.18	5.18
(d) Right-of-Use Assets	-	10.61	10.61	-	5.50	5.50
(e) Other Intangible Assets	-	-	-	-	0.03	0.03
(f) Other Non-Financial Assets	7.93	1.34	9.27	10.25	1.24	11.49
(g) Assets Held for Sale	0.09	-	0.09	-	-	-
Total Assets	2,304.45	11,817.86	14,122.30	430.25	9,851.99	10,282.24
Financial Liabilities						
(a) Trade Payables	16.37	-	16.37	6.61	-	6.61
(b) Lease Liabilities	2.99	8.79	11.78	3.02	2.88	5.90
(c) Other Financial Liabilities	18.21	0.85	19.06	19.33	0.96	20.29
Non-Financial Liabilities						
(a) Current Tax Liabilities (Net)	0.99	-	0.99	30.08	-	30.08
(b) Provisions	14.72	10.39	25.11	15.89	1.34	17.23
(c) Deferred Tax Liabilities (Net)	-	100.92	100.92	-	99.45	99.45
(d) Other Non-Financial Liabilities	9.23	0.26	9.49	4.48	0.26	4.74
Total Liabilities	62.51	121.21	183.72	79.41	104.89	184.30

NOTE: 43 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Background of Expected Credit Loss

Expected Credit Loss is a calculation of the present value of the amount expected to be lost on a financial asset. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk.

The key components of Credit Risk Assessment are:

1. Probability of Default (PD): represents the likelihood of default over a defined time horizon.
2. Exposure at Default (EAD): represents the expected balance at default taking into account repayment from the Balance Sheet date to the date of default.
3. Loss Given Default (LGD): represents the proportion of EAD that is likely to be lost post-default.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

The definition of default is taken as 90 days past due for all loans.

Delinquency buckets have been considered as the basis for the staging of all loans in the following manner:

0-30 days past due loans classified as Stage 1;

More than 30 days and upto 90 days past due loans classified as Stage 2;

Above 90 days past due loans classified as Stage 3.

The ECL is computed as a product of PD, LGD and EAD.

1.1 Credit Quality of Assets

(₹ Crore)

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans	11.22	-	-	11.22	9.70	-	-	9.70

1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is as follows:

(₹ Crore)

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount Opening Balance	9.74	-	-	9.74	161.00	-	-	161.00
New Assets Originated or Purchased	70.76	-	-	70.76	120.20	-	-	120.20
Assets Repaid	(69.23)	-	-	(69.23)	(271.46)	-	-	(271.46)
Gross Carrying Amount Closing Balance	11.27	-	-	11.27	9.74	-	-	9.74

Reconciliation of ECL Balance is given below:

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - Opening Balance	0.04	-	-	0.04	0.64	-	-	0.64
ECL Allowance Recognised during the Year	0.01	-	-	0.01	(0.60)	-	-	(0.60)
ECL Allowance - Closing Balance	0.05	-	-	0.05	0.04	-	-	0.04

The above does not include provision on financial guarantee ₹ 0.48 Crore (Previous Year ₹ 0.62 Crore).

A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109, as per circular issued by Reserve Bank of India (RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, dated 13th March 2020):

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

As at 31st March 2024

(₹ Crore)

Assets Classification as per RBI Norms	Assets Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provision) as required under Ind AS 109	Net Carrying Value	Provisions required as IRACP Norms	Difference between Ind AS 109 Provisions and IRACP Norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	11.27	0.05	11.22	0.05	-
	Stage 2	-	-	-	-	-
Sub Total		11.27	0.05	11.22	0.05	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Sub Total for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc., which are in the scope of Ind AS 109, but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) Norms (Refer Note No 32 (a))	Stage 1	-	0.48	-	-	0.48
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	0.48	-	-	0.48
Total	Stage 1	11.27	0.53	11.22	0.05	0.48
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

As at 31st March 2023

(₹ Crore)

Assets Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provision) as required under Ind AS 109	Net Carrying Value	Provisions required as IRACP Norms	Difference between Ind AS 109 Provisions and IRACP Norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	9.74	0.04	9.70	0.04	-
	Stage 2	-	-	-	-	-
Sub Total		9.74	0.04	9.70	0.04	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Sub Total for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc., which are in the scope of Ind AS 109, but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) Norms (Refer Note No 32 (a))	Stage 1	-	0.62	-	-	0.62
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	0.62	-	-	0.62
Total	Stage 1	9.74	0.66	9.70	0.04	0.62
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-

NOTE: 44

Under Aditya Birla Capital Limited Stock Appreciation Rights Scheme 2019, the Company has approved a grant of Nil (Previous Year Nil) Options SARs to the employees of the Company and its subsidiaries.

NOTE: 45

The Company, during the current year, has allotted 63,16,154 (Previous Year 16,82,056) Equity Shares of ₹ 10 each, fully paid-up, on exercise of options by eligible grantees, in accordance with the Employee Stock Options Schemes approved by the Company.

NOTE: 46

With effect from 11th October 2017, 6,44,22,405 Global Depository Shares (GDSs) representing 6,44,22,405 Equity Shares of ₹ 10 each have been admitted for trading on the Luxembourg Stock Exchange.

As on 31st March 2024, 5,64,96,331 (GDS) representing 5,64,96,331 Equity Shares are outstanding (Previous Year 5,47,05,589).

NOTE: 47

During the year, the Company issued Equity Share Capital through Qualified Institutional Placement of 10,00,00,000 shares to Qualified Institutional Buyers and through Preferential Issuance of 7,57,11,688 shares to its Promoter and a member of Promoter Group entity, both aggregating to ₹ 3,000 Crore. In accordance with Ind AS 32, the costs that are attributable directly to the above transaction have been adjusted against securities premium reserve.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 48

The Board of Directors of the Company, at its Meeting held on 11th March 2024, approved the Scheme of Amalgamation between Aditya Birla Finance Limited (“Amalgamating Company”) (a wholly owned subsidiary of the Company) and the Company, their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, read with rules made thereunder (“Scheme”). The Scheme is subject to the sanction of National Company Law Tribunal (NCLT), Ahmedabad Bench, and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders/creditors, as may be directed by the NCLT and such other regulatory/statutory authorities, as may be required.

NOTE: 49

During the year, Scheme of Amalgamation of Aditya Birla Money Insurance Advisory Services Limited (“ABMIASL”), Aditya Birla Money Mart Limited (“ABMML”) and Aditya Birla Capital Technology Services Limited (“ABCTSL”) with Aditya Birla Financial Shared Services Limited (“ABFSSL”), all wholly owned subsidiaries of the Company was filed with Hon’ble National Company Law Tribunal (“NCLT”), Ahmedabad Bench, and the approval from Hon’ble NCLT is awaited.

NOTE: 50

During the year, Aditya Birla Capital Limited had sold 1,39,94,199 Equity Shares of Aditya Birla Sun Life AMC Limited (“ABSLAMC”) representing 4.86% of the issued and paid-up Equity Share Capital of the ABSLAMC, by way of an offer for sale through stock exchange mechanism, in order to achieve minimum public shareholding of the ABSLAMC, as required under the applicable laws. Post-completion of offer for sale, the shareholding percentage of Aditya Birla Capital Limited in ABSLAMC stands at 45.14%. The Company has recognised gain amounting to ₹ 635.77 Crore (Net of tax, gain is ₹ 566.17 Crore). To achieve the minimum public shareholding in ABSLAMC, the Company is required to further dilute stake of 3,94,463 Equity Shares and has accounted the same as “Assets Held for Sale”

NOTE: 51

The Board of Directors of the Company, at its meeting held on 27th March 2023, had approved the sale of its entire stake of 50.002% of the issued and paid-up share capital of Aditya Birla Insurance Brokers Limited (“ABIBL”) to Edme Services Private Limited, part of the Samara Capital Group and an affiliate of Samara Alternate Investment Fund.

The Proposed Transaction is subject to receipt of the approval of Insurance Regulatory and Development Authority of India (“IRDAI”) and other regulatory/statutory approvals and satisfactory compliance of other conditions under the Share Purchase Agreement. Upon completion of the Proposed Transaction, ABIBL shall cease to be a subsidiary of the Company.

NOTE: 52

During the previous year, Aditya Birla Health Insurance Co. Limited (“ABHI”) has made a preferential allotment of 5,07,07,454 Equity Shares of ₹ 10 each to Platinum Jasmine A 2018 Trust, acting through its trustee, Platinum Owl C 2018 RSC Limited, being a wholly owned subsidiary of Abu Dhabi Investment Authority (“ADIA”), on 21st October 2022 for an aggregate consideration of ₹ 664.27 Crore. Pursuant to such issuance of the Equity Shares, ADIA owns 9.99% stake in ABHI. W.e.f. 21st October 2022, ABHI ceased to be a subsidiary, and has been accounted as a Joint Venture.

NOTE: 53

The Company has made an assessment of its value of investments in Equity Shares and 0.001% Compulsory Convertible Cumulative Preference Shares (“CCPS”) of Aditya Birla Capital Technology Services Limited (“ABCTSL”). Based on such assessments, an impairment loss on Equity Shares of ₹ 9.27 Crore and fair value loss on CCPS of ₹ 14.98 Crore have been provided as on 31st March 2024.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 54

The Company has a Long-Term Incentive Plan for selective employees. Long-term Incentive Plan is payable to employees on fulfilment of certain criteria laid down by the Company in the plan. On the basis of the plan, the Company has made provision of ₹ 14.04 Crore (Previous Year ₹ 4.61 Crore) basis actuarial valuation report obtained.

NOTE: 55

The Company has short-term rating of “[ICRA]A1+” and “CRISIL A1+” and “[ICRA]AAA(stable)” long-term rating from ICRA. During the year, the Company has not borrowed any funds.

NOTE: 56 INVESTMENT PROPERTY FAIR VALUE

The Company has carried out the valuation through Registered Valuer in terms of Companies Act, 2013, to determine the fair value of its Investment Property. As per report provided by Registered Valuer in terms of Companies Act, 2013, the fair value is ₹ 19.02 Crore as on 31st March 2024 (Previous Year ₹ 18.07 Crore).

The fair value of Investment Property has been derived using the Direct Comparison Method based on the recent market prices without any significant adjustments being made to the observable data. Accordingly, fair value estimates for Investment Property is classified as Level 3.

The Company has no restrictions on the realisability of its Investment Property, and has no contractual obligations to purchase, construct or develop Investment Property.

Information regarding Income and Expenditure of Investment Property

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Rental Income Derived from Investment Property	0.53	0.50
Less: Direct Operating Expenses (including Repairs and Maintenance) associated with Rental Income	0.06	0.06
Profit Arising from Investment Properties before Depreciation and Indirect Expenses	0.47	0.44
Less: Depreciation for the Year	0.43	0.44
Profit Arising from Investment Properties before Indirect Expenses	0.04	0.00

NOTE: 57 INCOME TAX DISCLOSURE

The Major Components of Income Tax expenses for the years ended 31st March 2024 and 31st March 2023 are:

1. Income Tax Recognised in Profit and Loss

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Current Income Tax:		
In respect of the Current Year	109.69	43.73
Excess Provision for Current Tax Related to Earlier Years	(30.08)	-
Deferred Tax:		
In respect of the Current Year	1.45	(0.82)
Deferred Tax Reclassified from Equity to Profit or Loss	-	-
Income Tax Expenses Reported in the Statement of Profit and Loss	81.06	42.91

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

2. Reconciliation of Tax Expenses and the Accounting Profit multiplied by India's Domestic Tax Rate as follows:

(₹ Crore)			
Particulars		Year ended 31 st March 2024	Year ended 31 st March 2023
Accounting Profit Before Income Tax	(A)	795.34	184.20
Income Tax Expenses calculated at 25.17% (31 st March 2023: 25.17%)	(B)	200.19	46.36
Reconciliation Items			
Excess Provision for Current Tax Related to Earlier Years		(30.08)	-
Effect of Expenses that are not deductible in determining Taxable Profit		(0.03)	0.16
Effect of Incomes which are not chargeable to Tax		(0.04)	(0.12)
Effect on Deferred Tax Balances due to the changes in Income Tax Rate		0.79	(3.74)
Tax rate difference adjustment on account of dilution of partial stake in ABSLAMC		(89.77)	0.25
Total	(C)	(119.13)	(3.45)
Income Tax Expenses Recognised in the Statement of Profit and Loss	D = (B) + (C)	81.06	42.91
Effective Tax Rate	E = D/A	10.19%	23.30%

3. Break-up of Current Tax Assets and Current Tax Liabilities

(₹ Crore)			
Particulars		Year ended 31 st March 2024	Year ended 31 st March 2023
Current Tax Assets			
Advance Tax		112.55	45.48
Less: Provisions		109.66	43.60
Total		2.89	1.88
Current Tax Liabilities			
Advance Tax		-	44.82
Less: Provisions		0.99	74.90
Total		(0.99)	(30.08)

NOTE: 58

At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses which needs to be provided as required under any law/accounting standards.

NOTE: 59 ANALYTICAL RATIOS ARE AS UNDER

Particular	As at 31 st March 2024	As at 31 st March 2023
CRAR (Adjusted Net worth/Risk-Weighted Assets)	111.04%	99.76%
Tier 1 CRAR	Not Applicable	Not Applicable
Tier 2 CRAR	Not Applicable	Not Applicable
Liquidity Coverage Ratio	Not Applicable	Not Applicable



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

NOTE: 60 DISCLOSURE REQUIRED AS PER RBI GUIDELINES/CIRCULARS

(1) Disclosure as Required by RBI Circular RBI/DOR/2023-24/106 DOR.FIN.REC.NO.45/03.10.119/2023-24 dated 19th October 2023 (NBFC-Scale Base Regulation)

- a) Group entities that are not consolidated in the CFS - All the entities required by Ind AS are consolidated in ABCL Consolidated Financials as on 31st March 2024 and 31st March 2023
- b) Refer **Annexure 2 to Annexure 10** for disclosure those are applicable and relevant as per above circular.

(2) Disclosure as required under Annexure V of Master Direction - Core Investment Companies (Reserve Bank) Direction, 2016

Annexure V

- a) Refer **Annexure 11 to Annexure 14** for disclosure applicable as per CIC Master Guidelines and not specifically covered under RBI CIRCULAR RBI/DOR/2023-24/106 DOR.FIN.REC.NO.45/03.10.119/2023-24 dated 19th October 2023.

(3) Other Disclosures as per RBI Circulars

- a) RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021
- b) RBI circular 2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21
- c) RBI circular 2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21

Being a Core Investment Company, there are no transaction to be reported for the above circulars.

NOTE: 61

The Letter of Comfort and awareness were issued in earlier years for availing credit facilities/credit rating by subsidiaries of ₹ 410 Crore and ₹ 200 Crore, respectively, with an explicit clause that it is not in nature of financial guarantee.

NOTE: 62

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ Nil (Previous Year ₹ Nil) in accordance with the Companies Act, 2013.

NOTE: 63

The Indian Parliament has approved the Code on Social Security, 2020, which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13th November 2020, and has invited suggestions from stakeholders. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

NOTE: 64 OTHER NOTES

- a) 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 person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

- (b) Additional regulatory information pursuant to the requirement of Schedule III of the Companies Act, 2013
- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - (ii) The Company does not have any transactions with companies struck off.
 - (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
 - (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
 - (v) The Company has not any such transaction which is not recorded in the books of account 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.
 - (vi) None of the entities in the Company has been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

NOTE: 65 SEGMENT REPORTING

The main business of the Company is Investment activity. Hence, there are no separate reportable segments as per Ind AS 108 on 'Operating Segment'.

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Ashwin Suvarna
Partner
Membership No.: 109503

Mumbai, 13th May 2024

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Vishakha Mulye
Chief Executive Officer

Pinky Mehta
Chief Financial Officer

Mumbai, 13th May 2024

Arun Kumar Adhikari
Director
(DIN: 00591057)

Amber Gupta
Company Secretary

S. C. Bhargava
Director
(DIN: 00020021)



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

ANNEXURE: 1

Statement of Related Party Transactions and Balances for the year ended 31st March 2024

The following Inter-Company transactions/balances with related parties have taken place during the year, and are included in the below table under respective heads:

		(₹ Crore)	
Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Brief Description - Company-wise and Item-wise			
1	Investments in Equity Shares		
	Aditya Birla Finance Limited	1,600.00	-
	Aditya Birla Health Insurance Co. Limited	-	145.35
	Aditya Birla Sun Life Insurance Company Limited	178.50	132.60
	Aditya Birla Capital Digital Limited	228.00	25.00
	Investments in Preference Shares		
	Aditya Birla ARC Limited	5.00	6.00
	Loans Given/(Repaid)		
	Aditya Birla Capital Technology Services Limited	-	-
		-	(86.00)
	Aditya Birla Money Mart Limited	-	-
		-	(30.00)
	Aditya Birla Stressed Asset AMC Private Limited	-	12.70
		(4.39)	(8.31)
	Aditya Birla ARC Limited	70.00	102.00
		(64.00)	(147.00)
	Mrs. Vishakha Mulye	-	6.29
		(0.39)	(0.31)
2	Dividend Income	75.62	186.28
	From Subsidiary		
	Aditya Birla Insurance Brokers Limited	-	30.01
	From Associate		
	Aditya Birla Sun Life AMC Limited	75.62	156.27
	Interest Income (Held at Amortised Cost)	11.00	20.02
	On Investments	9.97	9.13
	Aditya Birla Money Limited	5.49	5.15
	Aditya Birla Money Mart Limited	4.48	3.98
	On Loans	1.03	10.89
	Aditya Birla Capital Technology Services Limited	-	6.65
	Aditya Birla Money Mart Limited	-	1.40
	Aditya Birla Stressed Asset AMC Private Limited	0.02	0.60
	Aditya Birla ARC Limited	0.81	2.06
	Mrs. Vishakha Mulye	0.20	0.18

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
	Rent Income		
	Aditya Birla Sun Life Insurance Company Limited	0.53	0.50
	Payments Made/(Received) to Provident Fund Trust and Gratuity Trust		
	Grasim Industries Ltd. - Employee's Gratuity Fund	2.02	0.28
	Grasim Industries Ltd. - Employee's Gratuity Fund	(4.24)	(6.22)
3	Expenses Reimbursed		
	Salary Expenses	0.70	0.92
	Aditya Birla Sun Life Insurance Company Limited	0.70	0.92
	Employee Transfer Out/In	1.91	9.19
	Aditya Birla Insurance Brokers Limited	1.40	-
	Aditya Birla Finance Limited	0.37	0.08
	Aditya Birla Sun Life Insurance Company Limited	0.02	(0.16)
		-	1.05
	Aditya Birla Health Insurance Co. Limited	-	(0.51)
		-	0.68
	Aditya Birla Management Corporation Private Limited	-	8.05
	Aditya Birla Financial Shared Services Limited	0.12	-
	Expenses Reimbursed/(Recovered) - Others	16.14	14.94
	Aditya Birla Financial Shared Services Limited	12.59	13.10
		(0.02)	-
	Aditya Birla Management Corporation Private Limited	0.35	3.47
	Aditya Birla Capital Digital Limited	(0.16)	(3.00)
	Aditya Birla Capital Technology Services Limited	3.20	1.70
		-	(0.01)
	Aditya Birla Finance Limited	0.06	0.19
		(0.04)	(0.01)
	Aditya Birla Sun Life AMC Limited	0.01	0.04
		(0.13)	(0.01)
	Aditya Birla Housing Finance Limited	(0.03)	(0.01)
	Aditya Birla Money Limited	₹	-
		-	(0.02)
	Aditya Birla Wellness Private Limited	₹	₹
	Grasim Industries Limited	0.08	0.04
	Aditya Birla Insurance Brokers Limited	(0.02)	₹
	Aditya Birla Health Insurance Co. Limited	0.36	-
		(0.20)	(0.62)
	Aditya Birla Sun Life Insurance Company Limited	0.38	-
		(0.47)	(0.02)
	Birla Management Centre Services Private Limited	0.18	0.07
	Olive Bar & Kitchen Private Limited	-	0.03



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
4	Expenses Recovered		
	Employee Benefits Expenses	93.48	75.44
	Aditya Birla Insurance Brokers Limited	2.36	2.12
	Aditya Birla Finance Limited	35.29	26.99
	Aditya Birla Sun Life Insurance Company Limited	27.96	24.71
	Aditya Birla Sun Life AMC Limited	24.85	19.33
	Aditya Birla Housing Finance Limited	3.02	2.29
	Other Comprehensive Income	0.48	1.57
	Aditya Birla Insurance Brokers Limited	0.01	0.04
	Aditya Birla Finance Limited	0.18	0.56
	Aditya Birla Sun Life Insurance Company Limited	0.14	0.52
	Aditya Birla Sun Life AMC Limited	0.13	0.40
	Aditya Birla Housing Finance Limited	0.02	0.05
	Finance Costs	0.75	0.42
	Aditya Birla Insurance Brokers Limited	0.02	0.01
	Aditya Birla Finance Limited	0.28	0.15
	Aditya Birla Sun Life Insurance Company Limited	0.23	0.14
	Aditya Birla Sun Life AMC Limited	0.20	0.11
	Aditya Birla Housing Finance Limited	0.02	0.01
	Other Expenses	20.89	21.23
	Aditya Birla Insurance Brokers Limited	0.53	0.59
	Aditya Birla Finance Limited	7.89	7.58
	Aditya Birla Sun Life Insurance Company Limited	6.25	6.95
	Aditya Birla Sun Life AMC Limited	5.55	5.37
	Aditya Birla Housing Finance Limited	0.67	0.74
	Depreciation	3.48	4.13
	Aditya Birla Insurance Brokers Limited	0.09	0.12
	Aditya Birla Finance Limited	1.31	1.47
	Aditya Birla Sun Life Insurance Company Limited	1.04	1.35
	Aditya Birla Sun Life AMC Limited	0.93	1.06
	Aditya Birla Housing Finance Limited	0.11	0.13
	Statutory Dues	5.80	2.81
	Aditya Birla Insurance Brokers Limited	0.10	0.03
	Aditya Birla Finance Limited	1.54	0.37
	Aditya Birla Sun Life Insurance Company Limited	1.22	0.34
	Aditya Birla Sun Life AMC Limited	1.08	0.27

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
	Aditya Birla Housing Finance Limited	0.13	0.21
	Aditya Birla Capital Technology Services Limited	-	0.07
	Aditya Birla Money Limited	0.40	0.34
	Aditya Birla ARC Limited	0.31	0.27
	Aditya Birla Health Insurance Co. Limited	0.85	0.75
	Aditya Birla Wellness Private Limited	0.17	0.16
	ESOP Charges (Net)	48.17	20.75
	Aditya Birla Capital Technology Services Limited	0.47	0.19
	Aditya Birla Finance Limited	29.07	12.45
	Aditya Birla Financial Shared Services Limited	2.85	0.84
	Aditya Birla Housing Finance Limited	5.00	1.67
	Aditya Birla Health Insurance Co. Limited	7.24	2.93
	Aditya Birla Insurance Brokers Limited	β	0.07
	Aditya Birla Money Limited	0.12	0.01
	Aditya Birla Money Mart Limited	-	β
	Aditya Birla Sun Life AMC Limited	0.48	0.56
	Aditya Birla Sun Life Insurance Company Limited	2.54	2.03
	Aditya Birla Wellness Private Limited	0.13	-
	Aditya Birla Sun Life Pension Management Limited	0.05	-
	Aditya Birla Capital Digital Limited	0.18	-
	Aditya Birla Stressed Asset AMC Private Limited	0.02	-
5	Receivables	30.48	17.12
	Aditya Birla Insurance Brokers Limited	0.52	0.38
	Aditya Birla Finance Limited	15.68	4.94
	Aditya Birla Sun Life Insurance Company Limited	6.26	4.51
	Aditya Birla Sun Life AMC Limited	5.59	3.43
	Aditya Birla Capital Digital Limited	0.02	3.00
	Aditya Birla Money Limited	0.08	0.07
	Aditya Birla Housing Finance Limited	2.01	0.53
	Aditya Birla Health Insurance Co. Limited	0.23	0.22
	Aditya Birla Wellness Private Limited	0.03	0.02
	Aditya Birla ARC Limited	0.06	0.04
	Prepaid Balances		
	Aditya Birla Financial Shared Services Limited	0.04	0.02
	Aditya Birla Capital Technology Services Limited	0.16	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
6	Payables		
	Deposits Payable		
	Aditya Birla Sun Life Insurance Company Limited	0.25	0.25
	Trade Payables	4.05	1.69
	Aditya Birla Financial Shared Services Limited	1.17	1.08
	Aditya Birla Capital Technology Services Limited	0.13	0.12
	Grasim Industries Limited	0.01	-
	Grasim Industries Ltd. - Employee's Gratuity Fund	2.26	-
	Aditya Birla Management Corporation Private Limited	0.38	0.49
	Birla Management Centre Services Private Limited	0.10	-
7	Investments		
	Equity Shares Capital Held by the Company		
	Quoted:		
	Aditya Birla Money Limited	248.30	248.30
	Aditya Birla Sun Life AMC Limited	29.84	33.06
	Unquoted:		
	Aditya Birla Finance Limited	7,212.65	5,612.65
	Aditya Birla Sun Life Insurance Company Limited	1,518.03	1,339.53
	Aditya Birla Housing Finance Limited	1,217.66	1,217.66
	Aditya Birla Health Insurance Co. Limited	997.52	997.52
	Aditya Birla Capital Digital Limited	253.00	25.00
	Aditya Birla ARC Limited	100.00	100.00
	Aditya Birla Money Mart Limited	93.20	93.20
	Aditya Birla Wellness Private Limited	17.75	17.75
	Aditya Birla Stressed Asset AMC Private Limited	14.80	14.80
	Aditya Birla PE Advisors Private Limited	3.50	3.50
	Aditya Birla Financial Shared Services Limited	0.05	0.05
	Aditya Birla Capital Technology Services Limited	9.27	9.27
	Aditya Birla Trustee Company Private Limited	0.05	0.05
	Aditya Birla Insurance Brokers Limited	0.30	0.30
	Aditya Birla Sun Life Trustee Private Limited	0.02	0.02
	Preference Shares Capital Held by the Company		
	Aditya Birla Money Mart Limited		
	0.1% Redeemable Non-Convertible Non-Cumulative Preference Shares	52.20	47.72
	Aditya Birla Money Limited		
	4% Non-Convertible Non-Cumulative Redeemable Preference Shares	91.99	86.50
	Aditya Birla Capital Technology Services Limited		
	0.001% Compulsory Convertible Cumulative Preference Shares	14.98	14.98

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
	Aditya Birla ARC Limited		
	0.001% Compulsory Convertible Cumulative Preference Shares	21.00	16.00
8	Loans	11.60	10.37
	Aditya Birla ARC Limited	6.00	-
	Aditya Birla Stressed Asset AMC Private Limited	-	4.39
	Mrs. Vishakha Mulye	5.60	5.98
9	Key Managerial Personnel		
	Mr. Kumar Mangalam Birla	0.05	0.05
	Mr. Sushil Agarwal	0.12	0.16
	Mr. Romesh Sobti	0.06	0.11
	Mr. Arun Adhikari	0.12	0.14
	Mr. P. H. Ravikumar	0.13	0.16
	Mr. S. C. Bhargava	0.15	0.20
	Mrs. Vijayalakshmi R Iyer	0.19	0.19
	Dr. Santrupt Misra (Ceased to be a Director w.e.f. 18 th August 2023)	0.08	0.18
	Mrs. Vishakha Mulye** (In FY 22-23, employed for part of the year)		
	Short-term Employee Benefits	12.45	6.10
	Post-Employment Benefits	0.39	0.30
	Other Long-term Benefits	1.38	-
	ESOP Accounting Charge	23.77	11.28
	Mr. Ajay Srinivasan		
	Short-term Employee Benefits	2.62	7.65
	Post-Employment Benefits	-	7.76
	Other Long-term Benefits	-	-
	ESOP Accounting Charge	-	0.43

* Figures of ₹ 50,000 or less have been denoted by β.

** Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at the end of each year and, accordingly, have not been considered in the above information. Amounts shown here are before allocation to Subsidiary/Associates/Joint Venture companies.



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

ANNEXURE: 2

A Disclosures to Financial Statements as per Chapter (IX) - Prudential Regulations

Requirements	Response
(i) NBFCs shall put up to the Board of Directors, at regular intervals, the progress made in putting in place a progressive risk management system and risk management policy, and strategy followed by the NBFC;	The Company has put in place a risk management policy as a CIC and periodic updates are presented to the Risk Management Committee.
(ii) NBFCs shall put up to the Board of Directors, at regular intervals, conformity with corporate governance standards, viz., in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.	The Company has put up to the Board of Directors' conformity with corporate governance standards compliance.
(iii) Registration/license/authorisation, by whatever name called, obtained from other financial sector regulators;	The Company has not obtained any registrations/licenses/authorisations from other financial sector regulators.
(iv) Ratings assigned by credit rating agencies and migration of ratings during the year;	Refer Note No. 55, No change in rating during the year.
(v) Penalties, if any, levied by any regulator;	Nil
(vi) Information, namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries; and	Refer details given in table

Name	Country of Operation	Joint Venture Partners
Aditya Birla Sun Life Trustee Private Limited	India	Sun Life (India) AMC Investment Inc.
Aditya Birla Wellness Private Limited	India	Momentum Metropolitan Strategic Investments (Pty) Ltd.
Aditya Birla Health Insurance Co. Limited	India	Momentum Metropolitan Strategic Investments (Pty) Ltd.

(vii) Asset-Liability profile, extent of financing of Parent Company products, NPAs and movement of NPAs, details of all off-balance sheet exposures, structured products issued by them other disclosures, as given in Annex XXII.

Refer Annexure 6 for Asset-Liability profile and Note No. 32 (a) for off-Balance Sheet exposures. Other required details are not applicable.

(viii) Additional Information

(i) Capital to Risk Assets Ratio (CRAR)

Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
	Capital to Risk Assets Ratio (CRAR) (%)	111.04%	99.76%

(ii) Exposure to real estate sector, both direct and indirect

(₹ Crore)			
Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
1	Direct Exposure - Investment Property	13.94	14.37
2	Indirect Exposure		
	Fund Based*	1,217.66	1,217.66
	Non Fund Based**	1,607.52	2,057.71

* Represents investments in Equity Shares in Aditya Birla Housing Finance Limited.

** Represents Corporate Guarantee given to National Housing Bank on behalf of Aditya Birla Housing Finance Limited (Refer Note No. 32 (a)).

(iii) Maturity Pattern of Assets and Liabilities.

Refer Annexure 6

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

ANNEXURE: 3

Disclosure to Annual Financial Statements as per Section I - NBFC Scale base regulation

A) Exposure

1) Exposure to Real Estate Sector

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
i) Direct Exposure		
a) Residential Mortgages		
Lending fully secured by mortgages on residential property that is, or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
b) Commercial Real Estate		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures		
i) Residential	-	-
ii) Commercial Real Estate	-	-
d) Others - Investment Property	13.94	14.37
ii) Indirect Exposure		
Fund Based*	1,217.66	1,217.66
Non-fund-Based**	1,607.52	2,057.71
Total Exposure to Real Estate Sector	2,839.12	3,289.74

* Represents investments in Equity Shares in Aditya Birla Housing Finance Limited.

** Represents Corporate Guarantee given to National Housing Bank on behalf of Aditya Birla Housing Finance Limited (Refer Note No. 32 (a)).

2) Exposure to Capital Market

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt*#	11,665.00	9,665.03
ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows/issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds:	-	-
(i) Category I	-	-
(ii) Category II	-	-
(ii) Category III	-	-
Total Exposure to Capital Market	11,665.00	9,665.03

* Above does not include Investment in Convertible and Non-Convertible Preference Shares of ₹ 20.40 Crore and ₹ 144.19 Crore, respectively (Previous Year ₹ 17.84 Crore and ₹ 134.22 Crore, respectively).

Includes Listed and Unlisted Securities.

3) Sectoral Exposure

(₹ Crore)

Sectors	As at 31 st March 2024			As at 31 st March 2023		
	Total Exposure (includes on Balance Sheet and off-Balance Sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on Balance Sheet and off-Balance Sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others, if any (please specify)*#	1,619.36	-	-	2,068.20	-	-

* Others includes gross Inter-Corporate deposits and loans to employees (Refer Note No. 6).

Includes corporate guarantee given to NHB on behalf of ABHFL.

4) Intra-Group Exposures

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
i) Total amount of intra-group exposures*#	13,443.11	11,879.19
ii) Total amount of top 20 intra-group exposures	13,443.11	11,879.19
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	100%	100%

* Includes investments in Subsidiaries, Inter-corporate deposits,

Includes corporate guarantee given to NHB on behalf of ABHFL.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

5) Unhedged Foreign Currency Exposure

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Unhedged Foreign Currency Exposure	Nil	Nil

B) Related Party Disclosure

FY 2023-2024

(₹ Crore)

Particulars	Parent (as per Ownership or Control)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Directors	Close Members of Key Management Personnel	Others	Total
Borrowings [#]	-	-	-	-	-	-	-	-
Deposits Payable [#]	-	0.25	-	-	-	-	-	0.25
Maximum Deposit Payable during the year	-	0.25	-	-	-	-	-	0.25
Placement of Deposits [#]	-	-	-	-	-	-	-	-
Advances (Gross) [#]	-	6.00	-	5.60	-	-	-	11.60
Maximum Advances Outstanding during the year	-	44.39	-	5.95	-	-	-	50.34
Investments [#]	-	10,850.98	1,045.13	-	-	-	-	11,896.11
Maximum Investment made during the year	-	10,850.98	1,045.13	-	-	-	-	11,896.11
Purchase of Fixed/Other Assets	-	0.02	-	-	-	-	-	0.02
Sale of Fixed/Other Assets	-	0.18	-	-	-	-	-	0.18
Interest Paid	-	-	-	-	-	-	-	-
Interest Received	-	10.80	-	0.20	-	-	-	11.00
Others								
Remuneration Paid	-	-	-	50.76	-	-	-	50.76
Siting Fees Paid	-	-	-	-	0.90	-	-	0.90
Investment Made during the year	-	2,011.50	-	-	-	-	-	2,011.50
Loans Given/(Repaid) - (Net)	-	1.61	-	(0.39)	-	-	-	1.22
Dividend Income	-	-	75.62	-	-	-	-	75.62
Rent Income	-	0.53	-	-	-	-	-	0.53
Contribution to Gratuity Trust	-	-	-	-	-	-	(2.22)	(2.22)
Expenses Reimbursed	0.08	18.10	0.04	-	-	-	0.53	18.75
Expenses Recovered	-	131.43	41.62	-	-	-	-	173.05
Receivables/Prepaid Balance [#]	-	24.83	5.85	-	-	-	-	30.68
Trade Payables [#]	0.01	1.30	-	-	-	-	2.74	4.05



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

FY 2022-2023

(₹ Crore)

Particulars	Parent (as per Ownership or Control)	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Directors	Close Members of Key Management Personnel	Others	Total
Borrowings [#]	-	-	-	-	-	-	-	-
Deposits Payable [#]	-	0.25	-	-	-	-	-	0.25
Maximum Deposit Payable during the year	-	0.25	-	-	-	-	-	0.25
Placement of Deposits [#]	-	-	-	-	-	-	-	-
Advances (Gross) [#]	-	4.39	-	5.98	-	-	-	10.37
Maximum Advances Outstanding during the year	-	195.50	-	6.29	-	-	-	201.79
Investments [#]	-	8,768.74	1,048.35	-	-	-	-	9,817.09
Maximum Investment Made during the year	-	8,768.74	1,048.35	-	-	-	-	9,817.09
Purchase of Fixed/Other Assets	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	0.01	0.28	-	-	-	0.06	0.36
Interest Paid	-	-	-	-	-	-	-	-
Interest Received	-	10.71	-	0.18	-	-	-	10.89
Others								
Remuneration Paid	-	-	-	41.30	-	-	-	41.30
Siting Fees Paid	-	-	-	-	1.19	-	-	1.19
Investment Made during the year	-	163.60	145.35	-	-	-	-	308.95
Loans Given/(Repaid) - (Net)	-	(156.61)	-	5.98	-	-	-	(150.63)
Dividend Income	-	30.01	156.27	-	-	-	-	186.28
Interest Income (Held at Amortised Cost)	-	9.13	-	-	-	-	-	9.13
Rent Income	-	0.50	-	-	-	-	-	0.50
Contribution to Gratuity Trust (Net)	-	-	-	-	-	-	(5.94)	(5.94)
Expenses Reimbursed	0.04	13.81	(0.42)	-	-	0.01	11.62	25.06
Expenses Recovered	-	95.40	30.94	-	-	-	-	126.34
Receivables [#]	-	13.47	3.67	-	-	-	-	17.14
Trade Payables [#]	-	1.20	-	-	-	-	0.49	1.69

[#] Represents outstanding balance

There were no transactions with the relatives of KMP and Directors during the year.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

C) Disclosure of Complaints

Requirements	Response
1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman	As the Company is a CIC, it does not have any customers. Hence nothing to report.
2 Top five grounds of complaints received by the NBFCs from customers	Not Applicable

ANNEXURE: 4

Disclosure as per Section II

Requirements	Response
1 Breach of Covenant	There is no Breach of covenant of loan availed or debt securities issued.
2 Divergence in Asset Classification and Provisioning	None
NBFCs shall disclose details of divergence as per the table given below, if either or both of the following conditions are satisfied:	
(i) The additional provisioning requirements assessed by the Reserve Bank exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period,	
(ii) The additional Gross NPAs identified by the Reserve Bank exceeds 5 percent of the reported Gross NPAs for the reference period.	

ANNEXURE: 5

Disclosure as per Section XI(VI) on Liquidity Risk Management

Public Disclosure

(i) Public disclosure on liquidity risk

a) Funding Concentration based on significant counterparty (both deposits and borrowings) - Nil

(₹ Crore)

Sr. No.	Number of Significant Counterparties	As at 31 st March 2024		As at 31 st March 2023	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
-	-	-	-	-	-

b) Top 20 large deposits (amount in ₹ Crore and % of total deposits) - Not Applicable

c) Top 10 borrowings (amount in ₹ Crore and % of total borrowings) - Nil

(₹ Crore)

Sr. No.	Number of Significant Counterparties	As at 31 st March 2024		As at 31 st March 2023	
		Amount	% of Total Borrowings	Amount	% of Total Borrowings
-	-	-	-	-	-

d) Funding Concentration based on significant instrument/product - Nil

(₹ Crore)

Sr. No.	Number of Significant Counterparties	As at 31 st March 2024		As at 31 st March 2023	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
-	-	-	-	-	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

e) Stock Ratios:

Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity <1 year) to Total Liabilities	Not Applicable	Not Applicable
4	NCDs (original Maturity <1 year) to Total Assets	Not Applicable	Not Applicable
5	Other Short-Term Liabilities* to Total Liabilities	34.03%	43.09%
6	Other Short-Term Liabilities* to Total Assets	0.44%	0.77%

* Total Liabilities does not include Share capital and reserves.

f) Institutional set-up for Liquidity Risk Management

The Board of Directors has the overall responsibility for establishing the risk management framework of the Company. The Board decides the liquidity risk tolerance/limits and, accordingly, lays down strategies, policies and procedures for the management of liquidity risk.

The Company has instituted a Risk Management Committee, which reports to the Board, and is responsible for evaluating the overall risks faced by the Company including liquidity risk.

The Asset-Liability Committee (ALCO) of the Company, consisting of the Company's Senior Management and Members of the Board, is responsible for ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

The Company has also constituted Asset-Liability Management (ALM) Support Group at the execution level, which is responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO.

ANNEXURE: 6

Disclosure as per Section XI(VI) on Liquidity Risk Management

Maturity Pattern of Assets and Liabilities

(₹ Crore)

Sr. No.	Particulars	As at 31st March 2024										
		1 Day to 7 Days	8 Days to 14 Days	15 Days to 30/31 Days	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
1	Liabilities:											
(a)	Trade Payables	1.09	2.01	2.29	6.00	4.98	-	-	-	-	-	16.37
(b)	Lease Liabilities	-	0.25	-	0.25	0.26	0.78	1.56	6.67	2.02	-	11.78
(c)	Other Financial Liabilities	-	-	-	-	-	-	18.46	0.60	-	-	19.06
(d)	Provisions	-	-	-	-	-	4.13	-	9.91	-	11.07	25.11
2	Assets:											
(a)	Cash and Cash Equivalents	9.03	-	-	-	416.50	626.31	-	0.26	-	-	1,052.10
(b)	Receivables-Others	-	-	30.48	-	-	-	-	-	-	-	30.48
(c)	Loans	-	0.02	-	5.97	0.02	0.05	0.11	0.50	4.56	-	11.22
(d)	Other Financial Assets	-	-	-	-	-	-	-	-	1.16	-	1.16
(e)	Investments (Incl Asset Held for Sale)	1,155.59	-	-	-	-	0.09	-	144.19	-	11,685.40	12,985.27
(f)	Investment Property	-	-	-	-	-	-	-	-	-	13.94	13.94

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	As at 31 st March 2023										Total
		1 Day to 7 Days	8 Days to 14 Days	15 Days to 30/31 Days	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	
1	Liabilities:											
(a)	Trade Payables	0.85	0.60	1.22	2.50	1.44	-	-	-	-	-	6.61
(b)	Lease Liabilities	-	-	-	-	-	-	3.12	2.78	-	-	5.90
(c)	Other Financial Liabilities	-	-	-	-	-	-	18.98	1.31	-	-	20.29
2	Assets:											
(a)	Cash and Cash Equivalents	1.48	-	-	-	-	-	-	0.26	-	-	1.74
(b)	Receivables-Others	-	-	17.12	-	-	-	-	-	-	-	17.12
(c)	Loans	-	-	0.05	4.40	0.05	0.15	0.30	1.29	3.47	-	9.70
(d)	Other Financial Assets	-	-	-	-	-	-	-	1.32	-	-	1.32
(e)	Investments	396.82	-	-	-	-	-	-	-	134.22	9,682.87	10,213.91

Interest Rate Sensitivity - 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 has limited exposure to the risk of changes in market interest rate as it has investments in Mutual Funds (debt) and bank deposits (fixed interest rate), and does not have any borrowings.

ANNEXURE: 7

Disclosure as per Section XI(VIII)

Schedule to the Balance Sheet of a Non-Deposit Taking Core Investment Company

(₹ Crore)

Sr. No.	Particulars	As at 31 st March 2024		As at 31 st March 2023	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1	Liabilities Side:				
	Loans and Advances Availed by the CIC inclusive of Interest Accrued thereon but not paid:				
(a)	Debentures: Unsecured	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-Corporate Loans and Borrowings	-	-	-	-
(e)	Commercial Paper	-	-	-	-
(f)	Other Loans (specify nature)	-	-	-	-



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding	
		As at 31 st March 2024	As at 31 st March 2023
	Assets Side:		
2	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:		
	(a) Secured	-	-
	(b) Unsecured	11.22	9.70

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding	
		As at 31 st March 2024	As at 31 st March 2023
3	Break up of Leased Assets and Stock on Hire and Other Assets counting towards Asset Financing Activities:		
	(i) Lease Assets including Lease Rentals under Sundry Debtors:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other Loans counting towards AFC Activities		
	(a) Loans where Assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
4	Break-up of Investments:		
	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity*	0.09	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	* Asset Held for Sale		
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	52.20	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	1,155.59	396.82
	(iv) Government Securities	-	-
	(v) Private Equity Fund	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding	
		As at 31 st March 2024	As at 31 st March 2023
Long-Term Investments:			
1. Quoted:			
	(i) Shares: (a) Equity	236.46	239.77
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
2. Unquoted:			
	(i) Shares: (a) Equity	11,428.53	9,425.26
	(b) Preference	112.39	152.06
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Private Equity Fund	-	-

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding			
		As at 31 st March 2024		As at 31 st March 2023	
		Secured	Unsecured	Secured	Unsecured
5	Borrower group-wise classification of Assets Financed as in (2) and (3) above:				
1. Related Parties					
	(a) Subsidiaries	-	5.98	-	4.37
	(b) Companies in the same Group	-	-	-	-
	(c) Other Related Parties	-	5.01	-	5.22
	(d) Other than Related Parties	-	0.24	-	0.11
	Total	-	11.22	-	9.70



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding			
		As at 31 st March 2024		As at 31 st March 2023	
	Category	Market Value/ Break up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or Fair Value or NAV	Book Value (Net of Provisions)
6	Investor group-wise classification of all investments (Current and Long-term) in shares and securities (both Quoted and Unquoted):				
	1. Related Parties				
	(a) Subsidiaries/Joint Ventures/Associates	26,613.40	11,829.59	21,936.12	9,817.09
	(b) Companies in the same Group	-	-	-	-
	(c) Other Related Parties	-	-	-	-
	(d) Other than Related Parties	1,155.59	1,155.59	396.82	396.82
	Total	27,768.99	12,985.18	22,332.94	10,213.91

(₹ Crore)

Sr. No.	Particulars	Amount Outstanding			
		As at 31 st March 2024		As at 31 st March 2023	
	Category	Market Value/ Break-up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up or Fair Value or NAV	Book Value (Net of Provisions)
7	Other Information				
	Gross Non-Performing Assets				
	(a) Related Parties	-	-	-	-
	(b) Other than Related Parties	-	-	-	-
	Net Non-Performing Assets				
	(a) Related Parties	-	-	-	-
	(b) Other than Related Parties	-	-	-	-

ANNEXURE: 8

Disclosure as per Section XI(XI)

Loans to Directors, Senior Officers and Relatives of Directors

(₹ Crore)

Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
1	Directors and their relatives	-	-
2	Entities associated with directors and their relatives	-	-
3	Senior Officers and their relatives	5.22	5.22

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

ANNEXURE: 9

Disclosure as per Section XI(XXII)

(i) Summary of Significant Accounting Policies - Refer Material Accounting Policy Note No. 2 of Financial Statements

(ii) Capital

		(₹ Crore)	
Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
1	CRAR (Adjusted Net worth/Risk-Weighted Assets)	111.04%	99.76%
2	Tier-1 CRAR	Not Applicable	Not Applicable
3	Tier-2 CRAR	Not Applicable	Not Applicable
4	Amount of subordinated debt raised as Tier-2 capital	-	-
5	Amount raised by issue of Perpetual Debt Instruments	-	-

(iii) Investments

		(₹ Crore)	
Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
1	Value of Investments		
i)	Gross Value of Investments	13,051.61	10,274.68
a)	In India	13,051.61	10,274.68
b)	Outside India	-	-
ii)	Provisions for Depreciation*	66.43	60.77
a)	In India	66.43	60.77
b)	Outside India	-	-
iii)	Net Value of Investments	12,985.18	10,213.91
a)	In India	12,985.18	10,213.91
b)	Outside India	-	-
2	Movement of Provisions Held towards Depreciation on Investments		
i)	Opening Balance	60.77	60.53
ii)	Add: Provisions Made during the Year	5.66	0.36
iii)	Less: Write-off/Write-back of excess provisions during the Year	-	0.12
iv)	Closing Balance	66.43	60.77

* Diminution in investment



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(iv) Derivatives

i)	Forward Rate Agreement/Interest Rate Swap	Nil
ii)	Exchange Traded Interest Rate (IR) Derivative	Nil
iii)	Disclosures on Risk Exposure in Derivatives	Nil
iv)	Assets-Liability Management (Maturity pattern of certain items of Assets and Liabilities)	Refer Annexure 6
v)	Exposure	
	• Exposure to Real Estate Sector	Refer Annexure 3
	• Exposure to Capital Market	Refer Annexure 3
	• Details of Financing of Parent Company Products	Nil
	• Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the NBFC	Nil
	• Unsecured Advances (Inter-Corporate Deposits to Subsidiary)	₹ 6 Crore

ANNEXURE: 10

Disclosure as per Section XI(XXII)

(i) Break-up of 'Provisions and Contingencies' shown under the head Expenditure in the Statement of Profit and Loss:

		(₹ Crore)	
Sr. No.	Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
1	Provisions for Depreciation on Investment*	5.66	0.36
2	Provision towards Non-Performing Assets	-	-
3	Provision Made towards Income Tax (shown below Profit Before Tax)		
	Current Tax	109.69	43.73
	Excess Provision for Current Tax Related to Earlier Years	(30.08)	-
	Deferred Tax	1.45	(0.82)
4	Tax Impact on Other Comprehensive Income	(0.03)	(0.14)
5	Other Provisions and Contingencies		
	Provision for Outstanding Financial Guarantee	(0.14)	0.17
	Provision for Standard Assets	0.01	(0.60)

* Diminution in investment

(ii)	Draw Down from Reserves	Nil
(iii)	Concentration of Deposits, Advances, Exposures and NPAs	
	• Concentration of Deposits (for deposit taking NBFCs)	Not Applicable
	• Concentration of Advances (Inter-Corporate Deposits to Subsidiary)	₹ 6 Crore
	• Concentration of Exposures	Refer Annexure 3
	• Concentration of NPAs	Nil
	• Sector-wise NPAs	Not Applicable

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

(v) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

(₹ Crore)

Sr. No.	Name of the Joint Venture/Subsidiary	As at 31 st March 2024		
		Other Partner in the JV	Country	Total Assets
-	-	-	-	-

(₹ Crore)

Sr. No.	Name of the Joint Venture/Subsidiary	As at 31 st March 2023		
		Other Partner in the JV	Country	Total Assets
-	-	-	-	-

(vi) Off-Balance Sheet SPVs sponsored

Not Applicable

ANNEXURE: 11

Components of Adjusted Network (ANW) and other related information

(₹ Crore)

Sr. No.	Particulars	As at	As at
		31 st March 2024	31 st March 2023
1	ANW as a % of Risk-Weighted Assets	111.04%	99.76%
2	50% Unrealised appreciation in the Book Value of Quoted Investments	3,149.45	3,004.72
3	Diminution in the aggregate Book Value of Quoted Investments	-	-
4	Leverage Ratio	0.11	0.18

ANNEXURE: 12

Investments in other CICs

(₹ Crore)

Sr. No.	Particulars	Remarks
a)	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	Nil
b)	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	Nil
c)	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	Nil



Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2024

ANNEXURE: 13

Off-Balance Sheet Exposure

(₹ Crore)

Sr. No.	Particulars	As at 31 st March 2024	As at 31 st March 2023
1	Off Balance Sheet Exposure	1,607.52	2,057.71
2	Financial Guarantee as a % of total Off Balance Sheet Exposure	100.00%	100.00%
3	Non-Financial Guarantee as a % of total Off Balance Sheet Exposure	-	-
4	Off Balance Sheet Exposure to overseas Subsidiaries	-	-
5	Letter of Comfort issued to any Subsidiary	410.00	460.00

ANNEXURE: 14

Business Ratios

(₹ Crore)

Sr. No.	Particulars	As at/For the Year ended 31 st March 2024	As at/For the Year ended 31 st March 2023
1	Return on Equity (RoE) - (Net Profit/Shareholder's Capital)	5.94%	1.41%
2	Return on Assets (RoA) - (Net Profit/Total Assets)	5.85%	1.39%
3	Net Profit per Employee - (Net Profit/Total Employees)	34.01	5.23

Independent Auditor's Report

To the Members of
Aditya Birla Capital Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Aditya Birla Capital Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31st March 2024, 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 material 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, associates and joint ventures 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, its associates and joint ventures as at 31st March 2024, 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, its associates and joint ventures 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 Matters" 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.

Impairment of testing of goodwill

See Notes 2.4 and 15 to consolidated financial statements

The key audit matter

The Group has goodwill of ₹ 554.83 Crore as of 31st March 2024 which represents goodwill acquired through various business combinations and allocated to Cash Generating Units ("CGU").

As per Group's policy, a CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication of the unit may be impaired.

As disclosed in Note 15, impairment of goodwill is determined by assessing the recoverable amount of each CGU to which these assets relate.

How the matter was addressed in our audit

Our audit procedures included the following:

Design and Controls:

- Tested the design and the operating effectiveness of internal controls over the impairment assessment process including valuation methodology used in impairment assessment on the carrying value of goodwill; and
- Obtained an understanding of the process followed by the Holding Company in determining the CGU to which goodwill is allocated and determination of recoverable amount of each CGU.



Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>We have identified the annual impairment assessment as a key audit matter because of its being an area of estimate and judgment, exposed to significant changes in external business environment and is based on following key assumptions like:</p> <ul style="list-style-type: none"> • Determination of comparable companies; • Internal data of the Company used for valuation purpose; and • Market Multiples. 	<p>Substantive Procedures:</p> <ul style="list-style-type: none"> • Compared the Holding Company's assumptions and data to externally sourced/internal data in relation to key inputs such as share price in the market capitalization, book value, etc.; • Involved valuation specialists to test and evaluate Holding Company's key assumptions used in the valuation methodology; and • Tested the arithmetical accuracy of computation of recoverable amounts of each CGU. <p>Assessing the completeness and accuracy of the consolidated financial statements disclosures made by the Group as per applicable Ind AS.</p>
<p>The statutory joint auditors of Aditya Birla Finance Limited ('ABFL'), a subsidiary of the Holding Company, have reported a key audit matter on Impairment of loans including Expected Credit Losses ("ECL")</p> <p>Total Loans as at 31st March 2024: ₹ 1,03,90,527 lakh (net of ECL)</p> <p>Impairment Provision as at 31st March 2024: ₹ 1,78,035 lakh</p> <p>(Reference made to Note 10 of the financial statements of ABFL):</p> <p>As per Ind AS 109 - Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial assets using ECL approach involving an estimation of probability of loss on such financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. The estimation of impairment loss allowance on loan assets involves significant judgment and estimates, which are subject to uncertainty, and involves applying appropriate measurement principles in case of loss events.</p> <p>ECL is calculated using the percentage of probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") for each of the stages of loan portfolio. Significant management judgment and assumptions involved in measuring ECL is required with respect to:</p> <ul style="list-style-type: none"> • Segmentation of loan book in buckets based on common risk characteristics; • Staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e., Stage 2) and credit-impaired (i.e., Stage 3); • factoring in future macro-economic and industry specific estimates and forecasts; • past experience and forecast data on customer behaviour on repayments, and • varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis, the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios. <p>Considering the significance of the above matter to the Financial Statements and since the matter required significant attention to test the calculation of ECL, we identified this as a key audit matters for current year audit.</p>	<p>During the course of their audit, the statutory auditors of Aditya Birla Finance Limited performed the following procedures:</p> <p>Our audit procedures in respect of this area included, but not limited to:</p> <p>Process understanding and control testing:</p> <ul style="list-style-type: none"> • Read the Company's Board approved ECL policy and material accounting policy information for estimation of ECL on financial assets as explained in Note 5.4 of the financial statements of ABFL and evaluated the appropriateness of the same with the principles of Ind AS 109 and prudential norms laid down by Reserve Bank of India ("RBI"); • Performed end-to-end process walkthroughs to identify the controls used in the impairment loss allowance processes; • Tested the design and the operating effectiveness of relevant internal controls, including the IT controls relevant to the impairment loss allowance process; • Verified the completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors; • Checked the appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and • Reconciled the total retail and wholesale loans considered for ECL assessment with the books of accounts to ensure the completeness. <p>Performed the following substantive procedures on sample of loan assets:</p> <ul style="list-style-type: none"> • Tested appropriateness of staging of borrowers based on days past due ("DPD") and other loss indicators; • Tested the factual accuracy of information such as period of default, ratings and other related information used in estimating the PD; • Evaluated the reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired and other applicable assumptions included in LGD computation; Evaluated the methodology used to determine macroeconomic overlays and adjustments to the output of the ECL model; • Tested the completeness of loans included in the ECL calculations as of 31st March 2024 by reconciling such data with the balances as per loan book register; and • Verified the completeness and adequacy of the disclosures made in the Financial Statements and ensured compliance with Ind AS provisions.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>The statutory joint auditor of Aditya Birla Finance Limited ('ABFL'), a subsidiary of the Holding Company, have reported a key audit matter on Information Technology ('IT') systems and controls impacting financial controls.</p> <p>The Company key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated.</p> <p>Amongst its multiple IT systems, we scoped in systems that are key for overall financial reporting.</p> <p>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, significant number of systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process and regulatory expectation on automation.</p>	<p>During the course of their audit, the statutory auditors of Aditya Birla Finance Limited performed the following procedures:</p> <ul style="list-style-type: none"> For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Company IT systems. Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people process and technology. Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), programme development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation/record/reports, observation, and re-performance. We also tested few controls using negative testing technique. Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period.
<p>The statutory auditors of Aditya Birla Housing Finance Limited ('ABHFL'), a subsidiary of the Holding Company, have reported a key audit matter on Provisioning based on Expected Credit Loss model (ECL) under Ind AS 109 and testing of Impairment of assets, more particularly the Loan Book of the Company. (Reference made to accounting policies in 'Note 3.22 to the financial statements of ABHFL: Expected Credit Loss', 'Note 3.1 to the financial statements of ABHFL: Revenue Recognition' and 'Note 4.1 to the financial statements of ABHFL: Impairment of Financial Assets and 'Note 49 to the financial statements of ABHFL: Risk Management'.)</p> <p>Subjective Estimates:</p> <p>Under Ind AS 109, "Financial instruments" allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgment and estimates and therefore increased levels of audit focus in the Company's estimation of ECLs, which are as under:</p> <ul style="list-style-type: none"> Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. 	<p>During the course of their audit, the statutory auditor of Aditya Birla Housing Finance Limited performed the following procedures:</p> <p>Our key audit procedures included:</p> <p>Review of Policy/procedures and design/controls</p> <ul style="list-style-type: none"> Minutely going through the Board approved Policy and approach note concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation. Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights. Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information.



Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic indicators. Significant management judgment is applied in determining the economic scenarios used and the probability weights applied to them. <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, involving estimations and judgments, with a potential range of reasonable outcomes greater than our materiality for the Ind AS Financial Statements as a whole.</p>	<ul style="list-style-type: none"> Understanding management's approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals. Testing and review of controls over measurement of provisions and disclosures in the Ind AS Financial Statements. Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems. Walk through the processes which involve manual work to ascertain existence of maker-checker controls. Understanding of models and general economic indicator criteria used for regression testing over data of the loan book. <p>Substantive verification:</p> <ul style="list-style-type: none"> Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. Model calculations testing through selective re-performance, wherever possible. Assessing disclosures - Assessed whether the disclosures on key judgments, assumptions and quantitative data with respect to impairment loans (including restructuring related disclosures) in the Ind AS Financial Statements are appropriate and sufficient as also aligned to regulatory requirements.
<p>The statutory auditors of Aditya Birla Housing Finance Limited ('ABHFL'), a subsidiary of the Holding Company, have reported a key audit matter on Information Technology IT systems and controls.</p> <p>IT systems and controls:</p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management and Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. These includes implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p>	<p>During the course of their audit, the statutory auditors of Aditya Birla Housing Finance Limited performed the following procedures:</p> <p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. Deployed our internal experts to carry out IT general and specific application Controls testing and identifying gaps, if any. <p>Our other processes include:</p> <ul style="list-style-type: none"> Selectively recomputing interest calculations and maturity dates; Selectively re-evaluating masters updation, interface with resultant reports like LTV Report, SUD Report, Portfolio movement Report; Selective testing of the interface of SAP FA module with other IT systems like Loan Management System and other workflows; Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e., verification around the computer system); Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission;

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>The statutory auditors of Aditya Birla Money Limited ('ABML'), a subsidiary of the Holding Company, have reported a key audit matter on Information Technology and General Controls.</p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Due to the complexity, large volume of transactions processed daily and reliance on automated and IT dependent manual controls, matter pertaining to adequacy and effectiveness of IT control environment is considered as a Key Audit Matter.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring, IT dependent and application based controls are operating effectively.</p>	<p>During the course of their audit, the statutory auditor of Aditya Birla Money Limited performed the following procedures:</p> <p>We understood and assessed the overall IT control environment and the controls in place which included controls over access to systems and data, as well as system changes.</p> <p>Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.</p> <p>Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised.</p> <p>Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.</p> <p>Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</p>
<p>The statutory joint auditors of Aditya Birla Sun Life Insurance Company Limited ('ABSLICL'), subsidiary of the Holding Company, have reported a key audit matter on Information Technology Systems</p> <p>Information Technology Systems:</p> <p>The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.</p>	<p>During the course of their audit, the statutory auditor of Aditya Birla Sun Life Insurance Company Limited performed the following procedures:</p> <p>With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), programme change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> We tested the design, implementation, and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial reporting. This included evaluation of the Company's controls over segregation of duties and access rights being provisioned/modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit. We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.
<p>The statutory auditors of Aditya Birla Sun Life AMC Limited ('ABSLAMCL'), an associate of the Holding Company, have reported a key audit matter on Revenue from Asset Management and Advisory Fees and Management Fees from Portfolio Management and Other Services.</p> <p>Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of:</p> <ul style="list-style-type: none"> Asset Management and Advisory Fees amounting to ₹ 1,286.61 Crore. Management Fees from Portfolio Management and Other Services amounting to ₹ 66.58 Crore. 	<p>During the course of their audit, the statutory auditors of Aditya Birla Sun Life AMC Limited performed the following procedures:</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained and read the accounting policy for revenue recognition. Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgment.



Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> There are inherent risks in computing the different revenue streams including manual input of key contractual terms and computation of applicable Assets Under Management ("AUM"), which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure all financial terms and conditions are captured accurately and applied appropriately. Any discrepancy in such computation could give rise to a material misstatement in the financial statements. Accordingly, we have considered revenue from asset management and advisory fees and management fees from portfolio management and other services as a key audit matter. 	<ul style="list-style-type: none"> Test checked the design and operating effectiveness of key controls in place across the Company over recognition of Management Fees. Obtained and read the investment management fee report, issued by statutory auditors of mutual fund schemes and reconciled the certified amounts with the accounting records of the Holding Company. On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records. On sample basis, verified the input of contractual terms with rates approved by the management. On a sample basis, checked the receipts of such income in bank statements. Re-calculated Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts. Evaluated the disclosure relating to management fee income earned by the Company.
<p>The statutory auditors of Aditya Birla ARC Limited ('ABARCL'), a subsidiary of the Holding Company, have reported a key audit matter on Fair Valuation of financial instruments - Security Receipts (SRs).</p> <p>The Holding Company has invested in SRs issued by various trust incorporated by it for acquisition of distressed credit Business. Depending on the arrangement such Investments are in the range of 100% - 15% of the total SRs issued by the various trust. The said SRs are subsequently measured at Fair Value through Profit and Loss ("FVTPL") as per the business model of the Holding Company and considered as Level 3 in the valuation hierarchy. Total investment in SRs outstanding as on 31st March 2024 is ₹ 55,785.34 Lakh.</p> <p>The Holding Company determines the fair value of SRs based on the Net Assets Value (NAV) report provided by the trust. The NAV of the said investment can only be estimated by the trusts using a combination of the recovery range provided by the external rating agency, estimated cash flows, collateral values, discount rate used and various other assumptions.</p> <p>Considering the complexities involved and various assumptions and significant judgments made by the trust in deriving Net Assets Value of such SRs, we have considered the valuation of these investments as a key audit matter. Refer Note No. 9 of standalone financial statements of ABARCL.</p>	<p>During the course of their audit, the statutory auditor of Aditya Birla ARC Limited performed the following procedures:</p> <p>Audit procedures followed:</p> <ul style="list-style-type: none"> We have tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency. Assessment of the valuation inputs: <ol style="list-style-type: none"> Analysed reasonableness of the estimated cash flows and recovery rate, the other relevant judgments and estimates, if any; Assessed the information used to determine the key assumptions; Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any; Compared the management's assumption of discount rate with the supporting internal/external evidence; and Valuation report of collateral assets.

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 Group's Annual Report, but does not include the financial statements and auditor's reports thereon. The Group'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.

Management's and Board of Directors' 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 and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures 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 included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of each company.

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, 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 and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the



Independent Auditor's Report (Contd.)

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 and its associates and joint ventures 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 entities 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 Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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 Matters

- a. We did not audit the financial statements of 19 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 2,25,849.80 Crore as at 31st March 2024, total revenues (before consolidation adjustments) of ₹ 34,136.04 Crore and net cash outflows (before consolidation adjustments) amounting to ₹ 184.05

Crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 310 Crore for the year ended 31st March 2024, in respect of 4 associates and 3 joint ventures, whose financial statements have not been audited by us. 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, joint ventures and associates, 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, joint ventures and associates is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

- b. Vide an 'Other Matter' in their report dated 30th April 2024, the statutory joint auditors of Aditya Birla Health Insurance Co. Limited have reported that-

'The actuarial valuation of liabilities in respect of Incurred But Not Reported ("IBNR") and Incurred But Not Enough Reported ("IBNER") included under claims outstanding and Premium Deficiency Reserve creation as at 31st March 2024 has been duly certified by the Appointed Actuary of the Company. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India. We have relied upon such certifications of the said Appointed Actuary.'

- c. Vide an 'Other Matter' in their report dated 25th April 2024, the statutory auditors of Aditya Birla Sun Life AMC Limited have reported that-

'We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 92.18 Crore as at 31st March 2024, and total revenues of ₹ 43.29 Crore and net cash inflows of ₹ 2.62 Crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.'

Independent Auditor's Report (Contd.)

- d. Vide an 'Other Matter' in their report dated 25th April 2024, the statutory joint auditors of Aditya Birla Sun Life Insurance Company Limited have reported that-

'Determination of the following is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"):

- (i) The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2024. The actuarial valuation of these liabilities has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI;
- (ii) Other adjustments as at 31st March 2024/for the year ended 31st March 2024 for the purpose of Reporting Pack confirmed by the Appointed Actuary in accordance with Indian Accounting Standard 104 - Insurance Contracts:
 - a. Assessment of Contractual Liabilities based on classification of contracts into insurance contracts and investment contracts;
 - b. Valuation and Classification of Deferred Acquisition Cost and Deferred Origination Fees on investment contracts;
 - c. Grossing up and Classification of the Reinsurance Assets;
 - d. Liability Adequacy test as at the reporting dates and;
 - e. Disclosures as mentioned in Note No. 48 to the Reporting Pack.

We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the aforesaid mentioned items.'

Our opinion is not modified in respect of these matters.

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, based on our audit and on the consideration of reports of the other

auditors on separate/consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the "Other Matters" 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 01st April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies,



Independent Auditor's Report (Contd.)

associate companies and joint venture 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, associates and joint ventures, as noted in the "Other Matters" paragraph:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31st March 2024 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 40 to the consolidated financial statements.
- b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 59 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its 16 subsidiary companies, 4 associates and 3 joint ventures.

There has been no delay in transferring amounts to the Investor Education and Protection Fund by 3 subsidiary companies incorporated in India during the year ended 31st March 2024.

- d (i) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 63(7) to the consolidated financial statements, 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 any of such subsidiary companies, associate companies and joint venture companies 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, 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 any of such subsidiary companies, associate companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 63(7) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies and joint venture companies 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 audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company has neither declared nor paid any dividend during the year. Further, basis the report of statutory auditors, whose report we have relied, 19 subsidiaries, 3 associates and 3 joint ventures have neither declared nor paid any dividend during the year. Further, basis the report of statutory auditor, whose report we have relied, 1 associate have paid dividend during the year and is in compliance with Section 123 of the Act.
- f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies,

Independent Auditor's Report (Contd.)

associate companies and joint venture companies have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course

of our audit, for the periods where audit trail (edit log) facility was enabled and operated, we and respective auditors of such subsidiary companies, associate companies and joint venture companies did not come across any instance of audit trail feature being tampered with.

Instance	Observation
Instances of accounting software used for maintenance of books of account, which did not have a feature of recording audit trail (edit log) facility operating for certain period of the year for all transactions recorded in the software.	<ul style="list-style-type: none"> In respect of 2 subsidiaries, the feature of recording audit trail (edit log) facility was not operating for certain period of the year for 1 accounting software each. In respect of 1 subsidiary, the feature of recording audit trail (edit log) facility was not operating for certain period of the year for one accounting software related to group policy administration system.
Instance of accounting software operated by a third party service provider where independent auditor report covering audit trail requirement was not provided.	<ul style="list-style-type: none"> In respect of 1 subsidiary, with regards to an accounting software, in relation to maintaining books of account, the joint statutory auditors were not able to comment on the audit trail feature at database level as there was no independent auditor report covering the audit trail requirement. In respect of 1 subsidiary, with regards to a total of 2 accounting software(s), in relation to maintaining books of account, the joint statutory auditors were not able to comment on the audit trail feature at database level as there was no independent auditor report covering the audit trail requirement for part of the year.
Instance of audit trail feature not enabled for accounting software at database level.	<ul style="list-style-type: none"> In respect of the Holding Company [2 accounting software(s)], 1 subsidiary [4 accounting software(s)], 2 subsidiaries and 1 joint venture [an accounting software], the feature of recording audit trail (edit log) facility, was not enabled at database level to log any direct data changes. In respect of 1 subsidiary, the accounting software(s) relating to policy administration systems, investments, commission and premium receiving the feature of recording audit trail (edit log) facility, was not enabled at database level to log any direct data changes. In respect of 1 associate, the feature of recording audit trail (edit log) facility for an accounting software, was not enabled at database level to log any direct data changes when using certain access rights.

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 Holding Company has not paid any remuneration to its directors during the current year. Further, based on the reports of the statutory auditors of subsidiaries, associates and joint ventures incorporated in India which were not audited by us, we report that -

- 5 subsidiaries, 1 associate and 1 joint venture have paid/provided remuneration during the current year to its directors in accordance with the provisions of Section 197 of the Act.
- 14 subsidiaries and 2 joint ventures have not paid/provided remuneration during the current year to its directors. Accordingly, the provisions of Section 197 are not applicable.
- 3 associates are incorporated outside India, and hence Section 197(16) is not applicable to these companies.

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

Ashwin Suvarna
Partner

Membership No.: 109503
ICAI UDIN:24109503BKCSKE9773

Place: Mumbai
Date: 13th May 2024



Annexure A

To the Independent Auditor's Report on the Consolidated Financial Statements of Aditya Birla Capital Limited for the year ended 31st March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the Entities	CIN	Holding Company/ Subsidiary/JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Aditya Birla Insurance Brokers Limited	U99999GJ2001PLC062239	Subsidiary	Clause vii(b)
2	Aditya Birla Sun Life Pension Management Limited	U66000MH2015PLC260801	Subsidiary	Clause xvii
3	Aditya Birla ARC Limited	U65999MH2017PLC292331	Subsidiary	Clause iii(c) and iii(e)
4	Aditya Birla Finance Limited	U65990GJ1991PLC064603	Subsidiary	Clause ii(b), iii(c) iii(d) and vii(b)
5	Aditya Birla Housing Finance Limited	U65922GJ2009PLC083779	Subsidiary	Clause iii(c), iii(d), vii(b), xi(a) and xi(b)
6	Aditya Birla Money Limited	L65993GJ1995PLC064810	Subsidiary	Clause iii(c), iii(f) vii(a) and vii(b)
7	Aditya Birla Capital Digital Limited	U64990MH2023PLC399485	Subsidiary	Clause xvii
8	Aditya Birla Financial Shared Services Limited	U65999GJ2008PLC143797	Subsidiary	Clause vii(b)
9	Aditya Birla Money Insurance Advisory Services Limited	U67200GJ2001PLC062240	Subsidiary	Clause vii(b)
10	Aditya Birla Money Mart Limited	U61190GJ1997PLC062406	Subsidiary	Clause vii(b)
11	Aditya Birla Wellness Private Limited	U74999MH2016PTC282782	Joint Venture	Clause vii(b) and xvii
12	Aditya Birla PE Advisors Private Limited	U74140MH2008PTC179360	Subsidiary	Clause vii(c)

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

Ashwin Suvarna

Partner

Membership No.: 109503

ICAI UDIN:24109503BKCSKE9773

Place: Mumbai

Date: 13th May 2024

Annexure B

To the Independent Auditor's Report on the Consolidated Financial Statements of Aditya Birla Capital Limited for the year ended 31st March 2024

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)(g) 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 Aditya Birla Capital Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, its associate companies and joint venture companies, 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, associate companies and joint venture companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2024, 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 judgment, 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, associate companies and joint venture 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 financial statements for external purposes in accordance with generally accepted accounting principles. A



Annexure B to the Independent Auditor's Report (Contd.)

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 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility

Our opinion is not modified in respect of this matter.

Place: Mumbai
Date: 13th May 2024

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 Matters

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 19 subsidiary companies, 1 associate company and 3 joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Ashwin Suvarna
Partner
Membership No.: 109503
ICAI UDIN:24109503BKCSKE9773

Consolidated Balance Sheet

as at 31st March 2024

(₹ Crore)

Particulars	Note No.	As at 31 st March 2024	As at 31 st March 2023
I ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	1,554.30	1,730.79
(b) Bank Balances other than (a) above	4	2,024.71	585.07
(c) Derivative Financial Instruments	5	360.15	5.97
(d) Receivables	6		
(i) Trade Receivables		698.14	411.08
(ii) Other Receivables		16.08	-
(e) Loans	7	1,23,117.76	93,427.26
(f) Investments			
- Investments of Life Insurance Business			
- Investments of Life Insurance Policyholders	8A	46,652.12	36,943.85
- Investments of Life Insurance Shareholders	8B	4,000.98	3,302.91
- Other Investments	9	8,486.97	5,326.49
(g) Assets Held to Cover Linked Liabilities	10	36,005.19	30,505.79
(h) Other Financial Assets	11	1,817.69	1,785.42
Sub Total - Financial Assets		2,24,734.09	1,74,024.63
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)		119.63	231.73
(b) Deferred Tax Assets (Net)	12	517.91	476.73
(c) Investment Property	13	13.94	14.37
(d) Property, Plant and Equipment	14	255.44	147.62
(e) Capital Work-in-Progress	43	9.65	8.62
(f) Intangible Assets Under Development	43	84.58	35.42
(g) Goodwill	15	554.83	554.83
(h) Other Intangible Assets	16	262.62	168.34
(i) Right-to-Use of Assets	42	565.50	393.58
(j) Investments in Associate and Joint Venture Companies		4,393.65	4,303.82
(k) Other Non-Financial Assets	17	585.55	394.36
(l) Assets Held for Sale	63(3)	4.44	-
Sub Total - Non-Financial Assets		7,367.74	6,729.42
Total Assets		2,32,101.83	1,80,754.05



Consolidated Balance Sheet (Contd.)

as at 31st March 2024

(₹ Crore)

Particulars	Note No.	As at 31 st March 2024	As at 31 st March 2023
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative Financial Instruments	5	97.49	13.69
(b) Payables	18		
- Trade Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises		30.89	24.97
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		1,382.19	1,381.60
- 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		-	-
(c) Debt Securities	19	36,895.55	27,244.86
(d) Borrowings (other than Debt Securities)	20	68,834.42	53,815.47
(e) Subordinated Liabilities	21	3,810.13	3,260.44
(f) Lease Liabilities	42	599.24	416.73
(g) Policyholders' Liabilities	22	85,388.46	69,089.94
(h) Other Financial Liabilities	23	5,026.42	2,562.74
Sub Total - Financial Liabilities		2,02,064.79	1,57,810.44
(2) Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)		315.56	185.78
(b) Provisions	24	319.02	264.04
(c) Deferred Tax Liabilities (Net)	12	478.54	401.54
(d) Other Non-Financial Liabilities	25	286.14	272.18
Sub Total - Non-Financial Liabilities		1,399.26	1,123.54
(3) Equity			
(a) Equity Share Capital	26	2,600.02	2,417.99
(b) Other Equity	27	24,217.24	17,892.76
Equity Attributable to Owners of the Company		26,817.26	20,310.75
(c) Non-Controlling Interests		1,820.52	1,509.32
Sub Total - Equity		28,637.78	21,820.07
Total Liabilities and Equity		2,32,101.83	1,80,754.05

Note: The assets and liabilities disclosed above consist of amount relating to both shareholders' and life insurance policyholders' fund. The Company identifies these assets and liabilities separately to comply with Section 10 of Insurance Act, 1938, and are disclosed under Note No. 52.

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For **B S R & Co. LLP**

Chartered Accountants

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

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Ashwin Suvarna

Partner

Membership No.: 109503

Vishakha Mulye

Chief Executive Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

S. C. Bhargava

Director

(DIN: 00020021)

Pinky Mehta

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024Mumbai, 13th May 2024

Consolidated Statement of Profit and Loss

for the year ended 31st March 2024

(₹ Crore)

Particulars	Note No.	Year ended 31 st March 2024	Year ended 31 st March 2023
REVENUE FROM OPERATIONS			
(a) Interest Income	28	14,290.58	9,563.16
(b) Dividend Income	29	2.72	2.92
(c) Fees and Commission Income		1,348.54	1,240.67
(d) Net Gain on Fair Value Changes	30	362.13	114.35
(e) Net Gain on De-recognition of Financial Assets at Amortised Cost	31	58.98	-
(f) Gain on Sale of Investments	63(3)	486.43	-
(g) Policyholders' Income from Life Insurance Operations	52	17,950.07	15,186.08
(h) Policyholders' Income from Health Insurance Operations		-	1,300.58
(i) Sale of Services		6.09	7.89
Total Revenue from Operations		34,505.54	27,415.65
Other Income*	32	55.04	2,785.68
Total Income		34,560.58	30,201.33
EXPENSES			
(a) Finance Costs	33	7,617.25	4,722.00
(b) Fees and Commission Expense		478.19	470.25
(c) Impairment on Financial Instruments	34	1,352.29	981.09
(d) Employee Benefits Expenses	35	1,537.88	1,140.07
(e) Policyholders' Expenses of Life Insurance Operations	52	17,869.93	15,125.69
(f) Policyholders' Expenses of Health Insurance Operations		-	1,472.03
(g) Depreciation and Amortisation Expense	36	193.82	144.83
(h) Other Expenses	37	1,232.77	782.71
Total Expenses		30,282.13	24,838.67
Profit Before Share of Associates and Joint Ventures and Tax		4,278.45	5,362.66
Share of Profit/(Loss) of Associate and Joint Venture Companies		303.91	272.57
Profit Before Tax		4,582.36	5,635.23
Tax Expense			
Relating to other than Revenue Account of Life Insurance Policyholders			
Current Tax		1,072.85	856.81
Short/(Excess) Provision for Current Tax Related to Earlier Years (Net)		(31.09)	0.69
Deferred Tax		36.07	(114.84)
Relating to Revenue Account of Life Insurance Policyholders			
Current Tax		65.64	68.50
Total Tax Expenses		1,143.47	811.16
Profit for the Year		3,438.89	4,824.07



Consolidated Statement of Profit and Loss (Contd.)

for the year ended 31st March 2024

(₹ Crore)

Particulars	Note No.	Year ended 31 st March 2024	Year ended 31 st March 2023
Other Comprehensive Income	38		
Relating to Revenue Account of Life Insurance Policyholders			
(i) Items that will not be reclassified to profit or loss in subsequent periods		(10.04)	(2.70)
(ii) Items that will be reclassified to profit or loss in subsequent periods		523.22	(126.48)
Less: Transferred to Policyholders' Fund in the Balance Sheet		(513.18)	129.18
Relating to Revenue Account of Health Insurance Policyholders			
(i) Items that will not be reclassified to profit or loss in subsequent periods		-	0.36
(ii) Items that will be reclassified to profit or loss in subsequent periods		-	(35.96)
Related to Others			
(i) Items that will not be reclassified to profit or loss in subsequent periods		56.41	0.06
Income Tax relating to items that will not be reclassified to profit or loss		(20.88)	(0.72)
(ii) Items that will be reclassified to profit or loss in subsequent periods		21.79	(76.29)
Income Tax relating to items that will be reclassified to profit or loss		(0.59)	10.26
Other Comprehensive Income for the Year		56.73	(102.29)
Total Comprehensive Income for the Year		3,495.62	4,721.78
Profit for the Year attributable to			
- Owners of the Company		3,334.98	4,795.77
- Non-Controlling Interests		103.91	28.30
Other Comprehensive Income for the Year attributable to			
- Owners of the Company		20.94	(40.44)
- Non-Controlling Interests		35.79	(61.85)
Total Comprehensive Income			
- Owners of the Company		3,355.92	4,755.33
- Non-Controlling Interests		139.70	(33.55)
Basic Earnings Per Share - (₹)		13.05	19.84
Diluted Earnings Per Share - (₹)	39	12.95	19.77
(Face Value of ₹ 10 each)			

* Includes Gain of ₹ 2,739.07 Crore in the FY 2022-23 on account of Fair Value of Investment in Health Insurance Business (Refer Note No. 58)

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For **B S R & Co. LLP**

Chartered Accountants

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

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Ashwin Suvarna

Partner

Membership No.: 109503

Vishakha Mulye

Chief Executive Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

S. C. Bhargava

Director

(DIN: 00020021)

Pinky Mehta

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024Mumbai, 13th May 2024

Consolidated Statement of Cash Flows

for the year ended 31st March 2024

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Share of Associates and Joint Ventures and Tax	4,278.45	5,362.66
Adjustments for-		
Expense on Employee Stock Options Scheme	102.65	44.64
Impairment on Financial Instruments	1,353.20	983.46
Net Gain on Fair Value Changes	(792.96)	(154.44)
Gain on Sale of Investment	(486.43)	-
Change in Valuation of Liabilities in respect of Insurance policies in force	7,861.66	7,451.57
Gain on account of Fair Value of Investment in Aditya Birla Health Insurance Co. Limited on conversion from Subsidiary to Joint Venture	-	(2,739.07)
Depreciation and Amortisation	291.44	252.38
(Profit)/Loss on Sale of Property, Plant and Equipment	0.36	0.58
Operating Profit Before Working Capital Changes	12,608.37	11,201.78
Adjustments for-		
(Increase)/Decrease in Trade Receivables	(306.45)	245.55
(Increase)/Decrease in Loans	(31,066.25)	(28,190.15)
(Increase)/Decrease in Other Assets	(153.60)	(191.52)
Increase/(Decrease) in Trade Payables	6.51	712.48
Increase/(Decrease) in Provisions	63.27	(36.53)
Change in Net Assets of Life Insurance and Health Insurance Policyholders	(7,229.70)	(7,523.41)
Increase/(Decrease) in Other Liabilities	2,864.59	313.76
Cash Generated from Operations	(23,213.26)	(23,468.04)
Income Taxes Paid	(887.24)	(560.55)
Net Cash (Used in)/from Operating Activities	(24,100.50)	(24,028.59)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Property, Plant and Equipment and Intangible Assets	(402.41)	(245.58)
Proceeds from Sale of Property, Plant and Equipment	4.24	5.83
Purchase of Long-Term Investments	(114.10)	(416.10)
Proceeds from Sale of Long-Term Investments	369.03	231.97
Proceeds from Sale of Investment in Associate Company	639.00	-
Purchase of Insurance Shareholders' Investments (Net)	(628.30)	(447.90)
(Purchase)/Sale of Current Investments (Net)	(3,137.11)	(1,937.51)
Movement in Bank Deposits with original maturity greater than three months (Net)	(1,396.26)	3.15
Dividend Received	75.62	156.27
Net Cash Used in Investing Activities	(4,590.29)	(2,649.87)



Consolidated Statement of Cash Flows (Contd.)

for the year ended 31st March 2024

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
C CASH FLOW FROM FINANCING ACTIVITIES		
Exercise of Employee Stock Options including Subsidiaries	70.47	8.91
Proceeds from Shares issued by Aditya Birla Capital Limited (Including Securities Premium) (Net of Share Issue Expenses)	2,962.63	-
Proceeds from Shares issued by Subsidiary Companies to Non-Controlling Interests	171.50	267.05
Proceeds from Long-Term Borrowings	32,860.11	35,390.80
Repayment of Long-Term Borrowings	(16,578.01)	(14,505.91)
Short-Term Borrowings (Net)	9,131.02	5,351.54
Payment of Lease Liabilities	(107.82)	(98.23)
Dividend Paid to Non-Controlling Interests	-	(30.01)
Proceeds Received as Share Application Money Pending for Allotment (Net)	4.40	1.06
Net Cash from/(Used in) Financing Activities	28,514.30	26,385.21
D Net Decrease in Cash and Cash Equivalents (A+B+C)	(176.49)	(293.25)
E Opening Cash and Cash Equivalents	1,730.79	2,048.85
F Adjustment on account of conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	(24.81)
G Closing Cash and Cash Equivalents (D+E+F)	1,554.30	1,730.79

Cash Flow from Operations includes:

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest Received	16,998.83	11,987.28
Interest Paid	7,237.37	4,683.32
Dividend Received	271.98	240.42

Additional Disclosure pursuant to Ind AS 7 (Borrowings Movement during the Year)

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Opening Balance	84,320.77	58,051.92
Cash Flows	25,413.12	26,236.43
Others*	(193.79)	32.42
Closing Balance	1,09,540.10	84,320.77

* Includes fair value adjustment, foreign exchange fluctuation, interest accrued but not due, etc.

Material Accounting Policies

2

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached

For **B S R & Co. LLP**

Chartered Accountants

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

For and on behalf of the Board of Directors of

Aditya Birla Capital Limited**Ashwin Suvarna**

Partner

Membership No.: 109503

Vishakha Mulye

Chief Executive Officer

Arun Kumar Adhikari

Director

(DIN: 00591057)

S. C. Bhargava

Director

(DIN: 00020021)

Pinky Mehta

Chief Financial Officer

Amber Gupta

Company Secretary

Mumbai, 13th May 2024Mumbai, 13th May 2024

Consolidated Statement of Changes in Equity

for the year ended 31st March 2024

(A) EQUITY SHARE CAPITAL

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balance at the beginning of the Year	2,417.99	2,416.31
Changes in Equity Share Capital during the Year	182.03	1.68
Balance at the end of the Year	2,600.02	2,417.99

(₹ Crore)

(B) OTHER EQUITY

For the year ended 31st March 2023

Particulars	Reserves and Surplus										Total Other Equity				
	Share Application Money Pending Allotment	Special Reserve	Capital Reserve	Securities Premium Reserve	Other Reserves			Retained Earnings				Items of Other Comprehensive Income			
					Capital Fund	Debt Redemption Reserve	Share Options Outstanding Account	Surplus as per the Statement of Profit and Loss	General Reserve	Debt Instrument through Other Comprehensive Income		Equity Instrument through Other Comprehensive Income	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Equity Attributable to Owners of the Company
Balance as at 1 st April 2022	0.12	1,421.44	48.40	6,087.06	0.01	25.50	192.21	5,184.48	5,421	43.47	24.36	5.22	13,075.80	1,598.60	14,674.40
Profit for the Year	-	-	-	-	-	-	4,795.77	-	-	-	-	-	4,795.77	28.30	4,824.07
Other Comprehensive Income/(Loss) for the Year (Refer Note No. 38)	-	-	-	-	-	-	4.08	-	-	(54.16)	(2.15)	8.42	(40.44)	(61.85)	(102.29)
Total Comprehensive Income	-	-	-	-	-	-	4,799.85	-	-	(54.16)	(2.15)	8.42	4,755.33	(33.55)	4,721.78
Issue of Shares to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	267.05	267.05
Dividend Paid to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(30.01)	(30.01)
Transfer to Special Reserve	-	387.20	-	-	-	-	(387.20)	-	-	-	-	-	-	-	-
Additions during the Year	1.06	-	-	-	-	-	-	-	-	-	-	-	1.06	-	1.06
Reclassification of Gain/Loss on Sale of FVOCI Equity Instruments	-	-	-	-	-	-	2.53	-	(2.53)	-	-	-	-	-	-
Transfer to General Reserve on Account of Lapse of Vested Options	-	-	-	-	-	-	-	-	3.40	-	-	-	-	-	-
Exercise of ESOP including ESOP issued by Subsidiary Companies	-	-	-	22.85	-	-	(15.62)	-	-	-	-	-	7.23	-	7.23
ESOP Charge for the year including Joint Venture and Associate Companies	-	-	-	-	-	-	59.81	-	-	-	-	-	59.81	-	59.81
Others including Subvention Money	-	-	-	-	-	-	(9.54)	-	-	3.07	-	-	(6.47)	(9.02)	(15.49)
Derecognition of Non-Controlling interest on conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	(283.75)	(283.75)
Balance as at 31st March 2023	1.18	1,808.64	48.40	6,109.91	0.01	25.50	233.00	9,590.12	57.61	(7.62)	19.68	(2.26)	8.59	1,509.32	19,402.08

(₹ Crore)



Consolidated Statement of Changes in Equity (Contd.)

for the year ended 31st March 2024

(₹ Crore)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income					Equity Attributable to Owners of the Company	Non-Controlling Interests	Total Other Equity				
	Share Application Money Pending Allotment	Special Reserve	Capital Reserve	Securities Premium Reserve	Capital Fund	Other Reserves		Retained Earnings						Debt Instrument through Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve
						Debt Redemption Reserve	Share Options Outstanding Account	Surplus as per the Statement of Profit and Loss	General Reserve	Equity Instrument through Other Comprehensive Income							
Balance as at 1st April 2023	1.18	1,808.64	48.40	6,109.91	0.01	25.50	233.00	9,590.12	57.61	(7.62)	19.68	(2.26)	8.59	17,892.76	1,509.32	19,402.08	
Profit for the Year	-	-	-	-	-	-	3,334.98	3,334.98	-	-	-	-	-	3,334.98	103.91	3,438.89	
Other Comprehensive Income/(Loss) for the Year (Refer Note No. 38)	-	-	-	-	-	-	5.86	-	-	20.14	14.90	(20.06)	0.10	20.94	35.79	56.73	
Total Comprehensive Income	-	-	-	-	-	-	3,340.84	-	-	20.14	14.90	(20.06)	0.10	3,355.92	139.70	3,495.62	
Issue of Shares to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	171.50	171.50	
Issue of Equity Shares on account of Qualified Institution Placement and Preferential Issuance	-	-	-	2,824.29	-	-	-	-	-	-	-	-	-	2,824.29	-	2,824.29	
Share Issue Expenses	-	-	-	(37.37)	-	-	-	-	-	-	-	-	-	(37.37)	-	(37.37)	
Transfer from Surplus in the Statement of Profit and Loss	-	-	-	-	-	12.75	(12.75)	-	-	-	-	-	-	-	-	-	
Transfer to Special Reserve	-	645.16	-	-	-	-	(645.16)	-	-	-	-	-	-	-	-	-	
Additions during the Year	4.40	-	-	-	-	-	-	-	-	-	-	-	-	4.40	-	4.40	
Reclassification of Other Comprehensive Income to Profit and Loss Account on account of partial stake sale in Associate Company.	-	-	-	-	-	-	0.85	-	-	-	-	-	(0.85)	-	-	-	
Transfer to General Reserve on Account of Lapse of Vested Options	-	-	-	-	-	-	(0.79)	-	0.79	-	-	-	-	-	-	-	
Exercise of ESOP including ESOP issued by Subsidiary Companies	-	-	-	66.37	-	-	-	-	-	-	-	-	-	66.37	-	66.37	
Transfer from Stock Options Outstanding Account on Exercise of Options	-	-	-	41.14	-	-	(41.14)	-	-	-	-	-	-	-	-	-	
ESOP Charge for the year including Joint Venture and Associate Companies	-	-	-	-	-	-	110.58	-	-	-	-	-	-	110.58	-	110.58	
Others including Subvention Money	-	-	-	-	-	-	0.29	-	-	-	-	-	-	0.29	-	0.29	
Balance as at 31st March 2024	5.58	2,453.80	48.40	9,004.34	0.01	38.25	301.65	12,274.19	58.40	12.52	34.58	(22.32)	7.84	24,217.24	1,820.52	26,037.76	

2

Material Accounting Policies
The accompanying Notes are an integral part of the Financial Statements.

In terms of our report attached
For B S R & Co. LLP

Chartered Accountants

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

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Ashwin SuvarnaPartner
Membership No.: 109503Mumbai, 13th May 2024**Vishakha Mulye**

Chief Executive Officer

Pinky MehtaChief Financial Officer
Mumbai, 13th May 2024**Arun Kumar Adhikari**Director
(DIN: 00591057)**Amber Gupta**

Company Secretary

S. C. BhargavaDirector
(DIN: 00020021)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Aditya Birla Capital Limited (“the Company”/“the Parent”) is a listed public company having its registered office at Indian Rayon Compound, Veraval – 362 266, Gujarat. The Company currently operates as a Non-Deposit Taking Core Investment Company registered with the RBI vide certificate no. B.01.00555, dated 16th October 2015. The Company is a subsidiary of Grasim Industries Limited.

The Company and its subsidiaries (collectively referred to as “the Group”) are principally engaged in the business of financial services comprising of lending, both as a non-banking financial institution and as a housing finance institution, life and health insurance, asset management, general insurance, stock broking and others.

Information on the Group’s structure is provided in Annexure A to Note 1.

The Group has prepared consolidated financial statements in compliance with Indian Accounting Standards (‘Ind AS’) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 13th May 2024.

The financial statements have been prepared and presented on the going concern basis, the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI), Insurance Regulatory Development Authority of India (IRDAI), to the extent applicable.

2. MATERIAL ACCOUNTING POLICIES

2.1 Presentation of Financial Statements

The Group presents its financial statements to comply with Division III of Schedule III of the Companies Act, 2013, which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS), and the requirements of Ind AS. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note No. 57.

Financial assets and liabilities are generally reported gross in the Balance Sheet. They are only offset and reported

net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business, and
- The event of default.

2.2 Functional and Presentation Currency

Amounts in the financial statements are presented in Indian Rupees, which is also the Company’s functional currency, in Crore rounded off to two decimal places as permitted by Division III of Schedule III of the Act, except when otherwise indicated.

2.3 Principles of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its Subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an investee if, and only if, the Group has:

- a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- b. Exposure, or rights, to variable returns from its involvement with the investee, and
- c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of, during the year, are included in the consolidated financial statements from the date the Group gains control, until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights, and
- The size of the Group's holding of voting rights relating to the size and dispersion of the holdings of the other voting rights holders.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together the like items. Intra-Group transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. The Group offsets (eliminates) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity in each subsidiary.

Profit and Loss, and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the Non-Controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest; and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. Amounts previously recognised in OCI, in relation to the subsidiary, are accounted for (i.e., reclassified to profit or loss, or transferred directly to retained earnings) in the same manner, as would be required, if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary, at the date when control is lost, is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, Financial Instruments, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

On account of the regulatory restrictions on transfer of surplus/funds from the life insurance fund to shareholders, no proportion of the surplus relating to life insurance fund (including in respect of contracts without discretionary participating features), arising out of the adjustments due to application of Ind AS principles can be attributed to shareholders. Under the previous GAAP, fair valuation changes relating to the life insurance fund assets are accumulated within the liability Group "Policyholders' Funds" in a line item labelled "Credit/ (Debit) Fair Value Change Account", separately from "Policy Liabilities", "Insurance Reserves" and "Provision for Linked Liabilities". Therefore, the differences arising from the application of the Ind AS principles to the assets and liabilities of the life insurance fund be retained within the "Life Insurance Policyholders' Fund" liability Group as "Fair Valuation Differences of Policyholders' Investments" and "Policyholders' Fund – Other Adjustments".

Further, all income and expenses, pertaining to the life insurance fund, have been grouped under "Income from Life Insurance Fund" and "Expense of the Life Insurance Fund", respectively. Assets and Liabilities of Life Insurance Fund have been clubbed with respective Assets and Liabilities. Disclosure of the same is provided in Note No. 52.

Investments in Associates and Joint Ventures

Associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint Ventures:

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investments in the equity of an associate or a joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

the post-acquisition profits/losses of the investee in profit or loss, and the Group's share in other comprehensive income of the investee. Dividend received from associates and joint ventures is recognised as a reduction in the carrying amount of the investments.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the assets transferred.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit/loss of an associate and a joint venture' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture, upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal, is recognised in the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced, but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to the Statement of Profit and Loss, where appropriate. Changes in investors' interest in other components of equity, in such cases, are being directly recognised in equity.

2.4 Business Combination and Goodwill

The Group uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. In assessing control, potential voting rights are considered only if the rights are substantive.

The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised

amount of the identifiable assets acquired, and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed, and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of the net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such a business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured, and the settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date, and subsequent changes in the fair value of the contingent consideration are recorded in the Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as stamp duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence, fees and other professional and consulting fees, are expensed as incurred.

A cash-generating unit, to which goodwill has been allocated, is tested for impairment annually, or more



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

frequently, when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit pro-rata, based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period, in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value. Further, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, that are attributable to the acquisition of the financial asset, are added to the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 Group commits to purchase or sell the asset.

Subsequent Measurement

For the purposes of subsequent measurement, financial instruments are classified in four categories:

- Debt instruments at amortised cost,
- Debt instruments at fair value through other comprehensive income (FVTOCI),
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL), and
- Equity instruments.

Evaluation of Business Model and Test

Classification and measurement of financial assets depends on the results of the SPPI and the business model 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 judgment 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.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt Instruments at FVTOCI

A 'debt instrument' is classified at FVTOCI, if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments, included within the FVTOCI category, are measured initially, as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for changes with respect to Policyholders' investments under the life insurance business (except for assets held to cover linked liabilities) relating to Revenue Account of Life Insurance Policyholders, wherein the fair value movements are included under "Policyholders' Liabilities (Life Insurance Contract Liabilities and Restricted Surplus)" in the Balance Sheet. The Group recognises interest income, impairment losses and reversals, and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss, except for changes with respect to Policyholders' investments

under the life insurance business (except for assets held to cover linked liabilities) relating to Revenue Account of Life Insurance Policyholders, wherein the fair value movements are included under "Policyholders' Liabilities (Life Insurance Contract Liabilities and Restricted Surplus)" in the Balance Sheet.

Equity Investments

Investments in Associates and Joint Ventures are accounted using the equity method, as explained in item 2.3 above.

All other equity investments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Group has irrevocable option to present in OCI, subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition, and is irrevocable.

Where the Group classifies equity instruments at FVTOCI, then all fair value changes in the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment.

Equity instruments, included within the FVTPL category, are measured at fair value with all changes recognised in the Statement of Profit and Loss, except for changes with respect to Policyholders' investments under the life insurance business (except for assets held to cover linked liabilities) relating to Revenue Account of Life Insurance Policyholders, wherein the fair value movements are included under "Policyholders' Liabilities (Life Insurance Contract Liabilities and Restricted Surplus)" in the Balance Sheet.

Impairment of Financial Assets

The Group recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances;
- Debt investment securities;
- Trade and other receivables;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e., lifetime ECL that results from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument, if the credit risk on that financial instrument has increased significantly, since initial recognition (and consequently for credit-impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group, if the holder of the commitment draws down the loan, and the cash flows that the Group expects to receive, if the loan is drawn down; and
- For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Credit-Impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event, instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments, that are financial assets measured at amortised cost or FVTOCI, are credit-impaired at each reporting date. To assess if corporate debt instruments are credit-impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that, as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly, and there are no other indicators of impairment. For financial assets, where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment, including meeting the definition of default. The definition of default (see below) includes unlikelihood to pay indicators and a back-stop, if amounts are overdue for 90 days or more.

Purchased or Originated Credit-Impaired (POCI) Financial Assets

POCI financial assets are treated differently, because the asset is credit-impaired at initial recognition. For

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

these assets, the Group recognises all changes in lifetime ECL, since initial recognition as a loss allowance with any changes recognised in the Statement of Profit and Loss. A favourable change for such assets creates an impairment gain.

Definition of Default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD), which affects both the measurement of ECL and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:

- The borrower is past due for more than 90 days on any material credit obligation to the Group; or
- The borrower is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing, if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of asset, for example, in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal (NCLT), which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty, are key inputs in this analysis. The Group uses a variety of sources of information to assess default, which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments, unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Significant Increase in Credit Risk

The Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant

increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Modification and Derecognition of Financial Assets

A modification of a financial asset occurs when the contractual terms, governing the cash flows of a financial asset, are renegotiated, or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows, either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g., a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where,



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

although, the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default, or default has already happened, and the borrower is expected to be able to meet the revised terms. The revised terms, in most of the cases, include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified, the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Group considers the following:

- qualitative factors, such as contractual cash flows after modification, are no longer SPPI,
- change in currency or change of counterparty,
- the extent of change in interest rates, maturity, covenants, and

If these do not clearly indicate a substantial modification, then

A. In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL, except in the rare occasions where the new loan is considered to be originated credit-impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount, because there remains a high risk of default, which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in the past due status under the new terms.

B. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on the data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL, when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows, arising from the modified financial asset, are included in calculating the expected cash shortfalls from the original asset.

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset, and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

On derecognition of a financial asset other than in its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part, that is no longer recognised, and the sum of the consideration received for the part no longer recognised, and any cumulative gain/loss allocated to it, that had been recognised in OCI, is recognised in the Statement of Profit and Loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write Off

Loans and debt securities are written off, when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gain.

Presentation of Allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the Balance Sheet as follows:

- For financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets, and;
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group, after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are classified, at initial recognition:

- At fair value through profit or loss, except:
- Loans and borrowings,
- Payables, or
- As derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, and payables are recognised net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings, including bank



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurements

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and 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 included as finance costs in the Statement of Profit and Loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs, because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the

issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Derivatives and Hedging Activities

Derivatives are only used for economic hedging purposes and not as a speculative investment. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVTPL. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value changes),
- Hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- Hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether the changes in the cash flows of the hedging instrument, are expected to offset changes in cash flows of hedged items. The Group documents its risk management objective before undertaking hedge transactions.

Hedge effectiveness is the degree to which changes in cash flow of the hedged item, that are attributable to a hedged risk, are offset by changes in the cash flows of the hedging instrument. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss, within Other Income.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. The gain or loss, relating to the effective portion of the interest rate swaps hedging variable rate borrowings, is recognised in profit and loss within 'finance cost', at the same time, as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss, and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset.

When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging, that were reported in equity, are immediately reclassified to profit or loss within other gains/(losses).

Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract—with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in

all other host contracts are accounted for as separate derivatives and recorded at fair value, if their economic characteristics and risks are not closely related to those of the host contracts, and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the Statement of Profit and Loss, unless designated as effective hedging instruments.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.6 Fair Value Measurement

The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities (for which fair value is measured or disclosed in the financial statements) are categorised within the fair value hierarchy, described as follows, based on the lowest level input, that is significant to the fair value measurement as a whole:

- Level 1 - 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 Group 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.

The Management determines the policies and procedures for both recurring fair value measurements, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities, which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.8 Property, Plant and Equipment (PPE), and Depreciation

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset, if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss, during the period in which they are incurred.

Depreciation on PPE is provided on Straight-Line Method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013, or estimated by the Management. The Group has used the following useful life to provide depreciation on its PPE.

A. Assets where useful life differs from Schedule II:

Assets	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Buildings	30 Years	60 Years
Office Electronic Equipment	5 Years	4 Years
Office Computers (end-user devices, desktop, laptops)	3 Years	3 Years to 5 Years
Servers	6 Years	3 Years to 5 Years
Vehicles	8-10 Years	4 Years to 5 Years
Furniture and Fixtures, and Other Office Equipment	10 Years	2 Years to 10 Years

Useful life of assets different from the corresponding life specified in Schedule II has been estimated by the Management supported by technical assessments.

The estimated useful lives and residual values of the PPE are reviewed at the end of each financial year.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

B. Leasehold Assets:

Assets	Estimated Useful Life
Leasehold Improvements	Period of Lease

Property, plant and equipment, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

Depreciation on the property, plant and equipment added/discharged during the year is provided on pro-rata basis with reference to the month of addition/discharged/discharged.

Depreciation on the tangible fixed assets added/discharged during the year is provided on pro-rata basis with reference to the month of addition/discharged/discharged.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from the retirement or disposal of tangible fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised as income or expense in the Statement of Profit and Loss.

2.9 Investment Property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The Group, based on technical assessment made by the Management, depreciates the building on a straight-line basis over estimated useful lives of 60 years. The Management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Assets	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Investment Property	30 Years	60 Years

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in Note No. 13.

2.10 Intangible Assets and Amortisation

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Group recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Company and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible asset comprises of all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Management. Research costs on internally generated assets are expensed as incurred.

Subsequent expenditure related to an item of intangible asset is added to its carrying value based on materiality, resultant increase in the future benefits from the existing asset beyond its previously assessed standard of performance and/or savings in future cost. All other expenses on maintenance of existing intangible assets and cost of replacing the intangible assets are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss, unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses, arising from the retirement or disposal of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised as income or expense in the Statement of Profit and Loss.

Intangible Assets and their useful lives are as under:

Assets	Estimate Useful Life
Software (including Digital and Payment Application and allied systems)	2 to 7 Years

2.11 Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets (other than deferred tax assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units, for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment

at least annually, and whenever there is an indication then the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but, so that, the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.12 Product Classification of Insurance Business

Insurance contracts are those contracts when the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders, if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, if the benefits payable on death is higher by at least 5% of the fund value at any time during the term of the contract for unit-linked products or the benefits payable on death is higher by at least 5% of the premium at any time during the term of the contract for other than unit-linked products. Investment contracts are those contracts which are not Insurance Contracts.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

2.13 Leases

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.

At the date of commencement of the lease, the Group recognises Right-of-Use ("ROU") Asset and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

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 of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis, unless the asset generates cash flows that are largely dependent 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 the leases. Lease liabilities are remeasured with a corresponding adjustment to the related Right-of-Use Asset, if the Group changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

As a Lessor

Leases, for which the Group is a lessor, are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classified as a finance or operating lease by reference to the Right-of-Use Asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

2.14 Employee Benefits

Short-Term Employee Benefits

Liabilities for salaries and wages, including non-monetary benefits and accumulating leave balance in respect of employees' services upto the end of the reporting period, are recognised as liabilities (and expensed), and are measured at the amounts expected to be paid when the liabilities are settled.

The Group also recognises a liability and records an expense for bonuses (including performance-linked bonuses) where contractually obliged or where there is a past practice that has created a constructive obligation.

The obligations are presented as a part of "Other Financial Liabilities" or "Provisions" in the Balance Sheet.

Defined Contribution Plans

The Group makes defined contributions to employee provident fund and employee pension schemes administered by government organisations, set-up under the applicable statute, and those administered by



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

a trust set-up by Grasim Industries Limited (“the Holding Company”) and superannuation schemes administered by a trust set-up by the Holding Company. The Group has no further payment obligations once the contributions have been paid, except to contribute additionally any shortfall in the annual yield on the plan assets as compared to the annual return prescribed by the Central Government (there were no such additional contributions due from the Group as of 31st March 2023 and 31st March 2022). The contributions are recognised as a part of “Employee Benefits Expenses” in the period in which the employee renders services, against which such contributions are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The liabilities are presented within “Other Financial Liabilities” or, as the case may be, within “Provisions” in the Balance Sheet.

Defined Benefit Plans (Gratuity Obligation)

The obligation in respect of defined benefit plans, which covers Gratuity, which is provided for on the basis of an actuarial valuation at the end of each financial year. Gratuity is funded with an approved trust.

In respect of Gratuity being post-retirement benefits, remeasurements, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings, and will not be reclassified to the Statement of Profit and Loss, except with respect to life insurance business which relates to restricted life insurance fund relating to Revenue Account of Life Insurance Policyholders, the same has been transferred under “Policyholders’ Liabilities (Life Insurance Contract Liabilities and Restricted Surplus)” in the Balance Sheet, and the same will not be reclassified to revenue account of insurance business.

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs.

The Group recognises the following changes in the net defined benefits obligation under employee benefits expenses in the Statement of Profit and Loss:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- Net interest expense or income.

The Group presents the above components of defined benefit costs in the Statement of Profit and Loss in the line item “Employee Benefit Expenses”.

The present value of the defined benefit plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation, recognised in the Balance Sheet, represents the actual deficit or surplus in the Group’s defined benefits plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Other Long-Term Benefits

The expected costs of other long-term employee benefits, such as long-term service incentive plan benefits (not being share-based payments) are accrued over the period of employment using the same accounting methodology, as used for defined benefits plans. Remeasurement gains and losses, arising from experience adjustments and changes in actuarial assumptions, are charged or credited to the Statement of Profit and Loss in the period in which they arise. The obligations are presented as a part of “Provisions” in the Balance Sheet.

2.15 Employee Share-Based Payments

Equity-Settled Transactions

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model.

The fair value, determined at the grant date of the equity-settled share-based payments, is charged to the Statement of Profit and Loss on the straight-line basis over the vesting period of the respective options, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

2.16 Foreign Currency Transactions

In preparing the financial statements of the Group, transactions in foreign currencies, other than the Group's functional currency, are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise, except for:

- Exchange differences on foreign currency borrowings relating to qualifying assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences relating to qualifying effective cash flow hedges; and
- Exchange difference, arising on restatement of long-term monetary items that in substance forms part of the Group's net investment in foreign operations, is accumulated in Foreign Currency Translation Reserve (component of OCI), until the disposal of the investment, at which time, such exchange difference is recognised in the Statement of Profit and Loss.

2.17 Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupee, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupee 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. Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on

translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to non-controlling interest.

When a foreign operation is disposed of 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 re classified to the Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary, but retains control, then the relevant proportion of the cumulative amount of foreign exchange differences is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture, while retaining significant influence or joint control, the relevant proportion of the cumulative amount of foreign exchange differences is reclassified to the Statement of Profit and Loss.

2.18 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Interest income on all trading assets and financial assets, mandatorily required to be measured at FVTPL, is recognised using the contractual interest rate in net gain on fair value changes.

Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

Insurance Companies

A. Life Insurance Business

Premium Income of Insurance Business

Premium income on Insurance contracts and Investment contracts with Discretionary Participation Feature (DPF) is recognised as income when due from policyholders. For unit-linked business, premium income is recognised when the associated units are created. Premium on lapsed policies is recognised as income when such policies are reinstated. In case of linked business, top-up premium paid by policyholders is considered as single premium, and is utilised as prescribed by the Insurance Regulatory and Development Authority of India Financial Statements Regulations. This premium is recognised when the associated units are created.

Fees and Commission Income of Insurance Business

Insurance and investment contract policyholders are charged for policy administration services, investment

management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods.

Reinsurance Premium

Reinsurance premium ceded is accounted for at the time of recognition of the premium income, in accordance with the terms and conditions of the relevant treaties with the reinsurers. Impact on account of subsequent revisions to or cancellations of premium is recognised in the year in which they occur.

B. Health Insurance Business

Gross Premium

Premium (net of service tax) in respect of insurance contracts is recognised as income over the contract period or the period of risk, whichever is appropriate, after adjusting for reserve for unexpired risk. Any subsequent revisions to or cancellations of premiums are recognised in the year in which they occur.

Reinsurance Premium

Premium (net of service tax) in respect of insurance contracts is recognised as income over the contract period or the period of risk, whichever is appropriate, after adjusting for reserve for unexpired risk. Any subsequent revisions to or cancellations of premiums are recognised in the year in which they occur.

Income from items other than to which Ind AS-109 Financial Instruments and Ind AS-104 Insurance Contracts are applicable.

Revenue (other than for those items to which Ind AS-109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS-115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1:	Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2:	Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or services to the customer.
Step 3:	Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4:	Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5:	Recognise revenue when (or as) the Group satisfies a performance obligation.

Brokerage Fee Income

Revenue recognition for brokerage fees can be divided into the following two categories:

Brokerage Fees – Over Time

Fees earned for the provision of services are recognised over time as the customer simultaneously receives and consumes the benefits, as the services are rendered. These include brokerage fees, which is fixed at inception irrespective of number of transactions executed. The revenue for such contracts is recognised over the term of the contract.

Brokerage Fees – Point in Time

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). These include brokerage fees which are charged per transaction executed.

2.19 Benefits Paid (Including Claims) Pertaining to Insurance Business

Claims and Benefits Paid for Life Insurance Business

Gross benefits and claims for life insurance contracts and for investment contracts with Discretionary Participation Features (DPF) include the cost of all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims and policyholder bonuses declared on DPF contracts, as well as changes in the gross valuation of insurance and investment contract liabilities with DPF.

Death and other claims are accounted for, when notified. Survival and maturity benefits are accounted when due. Surrenders/Withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled. Repudiated claims disputed before judicial authorities are provided for based on the Management prudence considering the facts and evidence available in respect of such claims.

Gross Claims Incurred for Health Insurance Business

Claims incurred comprise of claims paid, change in estimated liability for outstanding claims made following a loss occurrence reported, change in estimated liability for claims Incurred But Not Reported ("IBNR"), and claims Incurred But Not Enough Reported ("IBNER"), and specific settlement costs comprising legal and investigation fees, and other directly attributable expenses.

The provision is made for estimated value of outstanding claims at the Balance Sheet date on the basis of the ultimate amounts that are likely to be paid on each claim, established by the Management in the light of past experience, and progressively modified for changes, as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims are recognised on the date of intimation based on estimates from surveyors/insured in the respective revenue accounts.

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) has been estimated by the Appointed Actuary generally accepted actuarial methods for each product category as



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

considered appropriate depending upon the availability of past data, as well as appropriateness of the different methods to the different lines of businesses.

Reinsurance Claims

Reinsurance claims are recognised when the related gross insurance claim is recognised, according to the terms of the relevant contract.

2.20 Acquisition Costs

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts. Acquisition costs mainly consist of commission, medical costs, policy printing expenses, stamp duty and other related expenses. These costs are expensed in the year in which they are incurred. Clawback of the first year commission paid, if any, in future is accounted in the year in which it is recovered.

2.21 Policy Liabilities

Insurance Contracts

The policy liabilities are calculated in accordance with the accepted actuarial practice, requirements of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), notified by the Insurance Regulatory and Development Authority of India and Practice Standards prescribed by the Institute of Actuaries of India.

Investment Contracts

Liability, in respect on Investment Contracts, is recognised in accordance with Ind AS, taking into account accepted actuarial practices.

2.22 Deferred Acquisition Costs (DAC)/ Deferment Origination Fees (DOF)

The Group has identified Commission, Rewards and Recognition paid to its agents pertaining to 1st year as acquisition costs. Such acquisition costs are amortised over the period of the policy contract.

The origination fees for Investment Contracts, being premium allocation charges pertaining to the 1st, 2nd and 3rd year, have been deferred over the period of the policy contract, and since the adjustment relates to restricted

life insurance fund relating to Revenue Account of Life Insurance Policyholders, the same has been transferred under "Policyholders' Liabilities (Life Insurance Contract Liabilities and Restricted Surplus)" in the Balance Sheet.

Acquisition costs and origination fees are deferred only for Investment Contracts.

2.23 Reinsurance Assets

Reinsurance Asset, being net contractual rights receivable under reinsurance contract, has been recognised on the basis of actuarial valuation.

2.24 Finance Costs

Finance costs represent interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses, such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.25 Provision for Current and Deferred Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income-tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 taxation authority.

Where the Group controls the dividend policies of subsidiaries, and the Management is satisfied that they are expecting to distribute profit in the foreseeable future from the subsidiaries, the Group accounts the deferred tax liability based on the dividend policy/past trends, etc. Where the Group does not control the dividend policies of joint venture/associate, and the Management is satisfied that they are expecting to receive dividend in the foreseeable future, the Group accounts the deferred tax liability on the undistributed profits.

2.26 Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market

assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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.

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset, and is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.27 Segment Reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the Chief Operating Decision Maker ("CODM") separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Group.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

2.28 Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted-average number of equity shares outstanding, during the period. The weighted-average number of equity shares outstanding, during the period and for all periods presented, is adjusted for events, such as bonus issue, bonus element in a rights issue to the existing shareholders, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.29 Statement of Cash Flows

The Statement of Cash Flows is reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Group are segregated.

2.30 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

2.31 Significant Accounting Judgment, Estimates and Assumptions

The preparation of financial statements, in conformity with the Ind AS, requires judgments, estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of the financial statements, the

reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although, these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. The difference between actual results and estimates is recognised in the period in which the results are known or materialised. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Judgment

The following companies are being accounted as per equity method of accounting where Aditya Birla Capital Limited holds either directly or through its subsidiary, more than half of the equity shareholding.

- a. Aditya Birla Sun Life Trustee Company Private Limited
- b. Aditya Birla Wellness Private Limited

Estimates and Assumptions

The key assumptions, concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful Lives of Property, Plant and Equipment

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the Management periodically and revised, if appropriate. In the case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Measurement of Defined Benefits Obligations

The cost of the defined benefits gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recognition of Deferred Tax Assets and Provision for Current Tax

Deferred Tax Assets are recognised based on availability of future taxable profit against which the tax losses carried forward can be used.

The Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate.

Recognition and Measurement of Provisions and Contingencies

Key assumptions about the likelihood and magnitude of an outflow of resources.

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 values are measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market, where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgment includes consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share-Based Payments

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model

to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Impairment of Financial Assets

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- a. The Group's internal credit grading model, which assigns PDs to the individual grades.
- b. The Group's criteria for assessing if there has been a significant increase in credit risk, and if so, allowances for financial assets, should be measured on a lifetime ECL basis and the qualitative assessment.
- c. The segmentation of financial assets when their ECL is assessed on a collective basis.
- d. Development of ECL models, including the various formulas and the choice of inputs.
- e. Determination of associations between macro-economic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- f. Selection of forward-looking macro-economic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust, when necessary.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Annexure 'A' to Note: 1 "General Information and Basis of Preparation"

Particulars	Principal Place of Business/ Country of Incorporation	Principal Business Activity	Proportion of Ownership Interest as on 31 st March 2024	Proportion of Ownership Interest as on 31 st March 2023
SUBSIDIARIES				
Aditya Birla Finance Limited (ABFL)	India	NBFC/Fund-Based Lending	100.00%	100.00%
Aditya Birla Housing Finance Limited (ABHFL)	India	Housing Finance	100.00%	100.00%
Aditya Birla Sun Life Insurance Company Limited (ABSLI)	India	Life Insurance	51.00%	51.00%
Aditya Birla Sun Life Pension Management Limited (ABSPM) (100% Subsidiary of Birla Sun Life Insurance Company Limited)	India	Pension Fund Management and Point of Presence	51.00%	51.00%
Aditya Birla Insurance Brokers Limited (ABIBL)	India	Insurance Broking and Risk Advisory Services	50.002%	50.002%
Aditya Birla Money Limited (ABML)	India	Stock Broking, Depository Services, Portfolio Management Services	73.53%	73.60%
Aditya Birla Financial Shared Services Limited (ABFSSL)	India	Other Business Support Services	100.00%	100.00%
Aditya Birla Money Mart Limited (ABMML)	India	Value Added Services and Investments	100.00%	100.00%
Aditya Birla Money Insurance Advisory Services Limited (ABMIASL) (100% Subsidiary of ABMML)	India	Insurance Corporate Agent	100.00%	100.00%
Aditya Birla ARC Limited (ABARC)	India	Asset Reconstruction Company	100.00%	100.00%
Aditya Birla Stressed Asset AMC Private Limited (ABSAAMC)	India	Fund Management	100.00%	100.00%
ABARC-AST-001-Trust	India	Asset Reconstruction Company	100.00%	100.00%
ABARC-AST-008-Trust	India	Asset Reconstruction Company	100.00%	100.00%
ABARC-AST-010-Trust	India	Asset Reconstruction Company	100.00%	100.00%
Aditya Birla Special Situation Fund - 1 (ABSSF)	India	Alternate Investment Fund	100.00%	100.00%
Aditya Birla Capital Digital Limited (ABCDDL) (Incorporated w.e.f. 23 rd March 2023)	India	Digital Services	100.00%	100.00%
Aditya Birla PE Advisors Private Limited (ABPEAPL)	India	Private Equity Investment, Advisory and Management Services	100.00%	100.00%
Aditya Birla Capital Technology Services Limited (ABCTSL)	India	Financial and IT-enabled Services	100.00%	100.00%
Aditya Birla Trustee Company Private Limited (ABTCPL)	India	Trustee of Private Equity Fund	100.00%	100.00%
ASSOCIATES AND JOINT VENTURES				
Aditya Birla Sun Life Trustee Private Limited (ABSTPL)	India	Trustee of Aditya Birla Sun Life Mutual Fund	50.85%	50.85%
Aditya Birla Wellness Private Limited (ABWPL)	India	Providing and Servicing Incentivised Wellness and Related Programme	51.00%	51.00%
Aditya Birla Health Insurance Co. Limited (ABHICL) (Converted from Subsidiary into Joint Venture w.e.f. 21 st October 2022)	India	Health Insurance	45.89%	45.91%
Aditya Birla Sun Life AMC Company Limited (ABSLAMC)	India	Asset Management and Advisory	45.14%	50.01%
Aditya Birla Sun Life AMC (Mauritius) Ltd. (100% Subsidiary of ABSLAMC)	Mauritius	Asset Management	45.14%	50.01%
Aditya Birla Sun Life AMC Ltd., Dubai (100% Subsidiary of ABSLAMC)	Dubai	Arranging Deals in Investments and Advising on Financial Product	45.14%	50.01%
Aditya Birla Sun Life AMC Pte. Ltd., Singapore (100% Subsidiary of ABSLAMC)	Singapore	Asset Management	45.14%	50.01%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 3 CASH AND CASH EQUIVALENTS

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Cash on Hand	4.26	6.61
Balances with Banks		
Current Accounts	729.33	1,082.50
Deposit Accounts (with original maturity period of 3 months or less)	668.61	540.67
Cheques/Drafts on Hand and in Transit	152.10	101.01
	1,554.30	1,730.79

NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Fixed Deposit Accounts (with original maturity period of more than 3 months)*	2,024.45	584.81
Money Due for Refund on Fractional Shares	0.26	0.26
	2,024.71	585.07
* Fixed Deposits include:		
a) Lien marked in favour of Insurance Regulatory Development Authority of India (IRDAI)	0.79	2.10
b) Margins with Exchange	679.61	342.09
c) Towards Issue of Bank Guarantees	149.03	140.75

NOTE: 5 DERIVATIVE FINANCIAL INSTRUMENTS - ASSETS AND LIABILITIES

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Derivative Financial Instruments - Assets		
(Carried at Fair Value through Profit or Loss)		
Derivatives	360.15	5.97
Derivative Financial Instruments - Liabilities		
(Carried at Fair Value through Profit or Loss)		
Derivatives	97.49	13.69



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 6 RECEIVABLES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
TRADE RECEIVABLES		
Secured, Considered Good	58.87	21.10
Unsecured, Considered Good	632.74	389.88
Less: Impairment Loss Allowances Unsecured, Considered Good	(0.15)	(0.35)
Unsecured, which have significant increase in Credit Risk	9.48	0.89
Less: Impairment Loss Allowances Unsecured, which have significant increase in Credit Risk	(3.21)	(0.44)
Unsecured, Credit Impaired	10.56	11.41
Less: Impairment Loss Allowances Unsecured, Credit Impaired	(10.15)	(11.41)
	698.14	411.08
OTHER RECEIVABLES		
Unsecured, Considered Good	16.08	-

Trade Receivables include:

- Pass through amounts representing dues from clients and exchanges towards transactions not fully settled as at the reporting date of Stock and Securities Broking Business.
- Amount receivable from customers pertaining to amount funded to them for settlement of trade as part of normal business activities of Stock and Securities Broking Business.

Ageing Schedule of Trade and Other Receivables is as follows:

As at 31st March 2024

(₹ Crore)

Particulars	Unbilled	Not Due	Outstanding for the following periods from the Due Date of Payment					Total
			Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – Considered Good	53.03	0.85	634.99	0.34	2.07	0.21	0.12	691.61
(ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	-	-	9.48	-	-	-	-	9.48
(iii) Undisputed Trade Receivables – Credit Impaired	-	-	3.28	0.83	1.63	0.32	1.50	7.56
(iv) Disputed Trade Receivables – Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in Credit Risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit Impaired	-	-	0.01	0.01	0.01	0.01	2.97	3.00
(vii) Other Receivables – Considered Good	-	-	16.08	-	-	-	-	16.08
Sub Total	53.03	0.85	663.84	1.18	3.71	0.54	4.59	727.73
Less: Impairment Loss Allowances								(13.51)
Total Trade and Other Receivables								714.22

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

As at 31st March 2023

(₹ Crore)

Particulars	Unbilled	Not Due	Outstanding for the following periods from the Due Date of Payment					Total
			Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables – Considered Good	23.08	6.97	378.04	0.25	2.64	-	-	410.98
(ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	-	-	0.89	-	-	-	-	0.89
(iii) Undisputed Trade Receivables – Credit Impaired	-	-	2.31	1.35	7.54	0.21	-	11.41
(iv) Disputed Trade Receivables – Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in Credit Risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	-
(vii) Other Receivables – Considered Good	-	-	-	-	-	-	-	-
Sub Total	23.08	6.97	381.24	1.60	10.18	0.21	-	423.28
Less: Impairment Loss Allowances								(12.20)
Total Trade and Other Receivables								411.08

NOTE: 7 LOANS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Carried at Amortised Cost		
Loans and Advances of Financing Activities	1,23,562.60	94,283.97
Loans against Insurance Policies	517.52	405.73
Others	1,017.51	592.24
Total - Gross (A)	1,25,097.63	95,281.94
Less: Impairment Loss Allowances	(1,979.87)	(1,854.68)
Total - Net (A)	1,23,117.76	93,427.26
(B) Secured		
Secured by Tangible Assets	83,334.06	60,973.61
Secured by Intangible Assets	509.53	-
Covered by Bank/Government Guarantees	4,960.39	3,233.04
Secured by Book Debts, Inventories, Fixed Deposits and Other Working Capital Items	5,614.69	829.38
Unsecured	30,678.96	30,245.91
Total - Gross (B)	1,25,097.63	95,281.94
Less: Impairment Loss Allowances	(1,979.87)	(1,854.68)
Total - Net (B)	1,23,117.76	93,427.26
(C) i. Loans In India		
Public Sector	353.04	419.07
Others	1,24,744.59	94,862.87
Total - Gross (C) (i)	1,25,097.63	95,281.94
Less: Impairment Loss Allowances	(1,979.87)	(1,854.68)
Total - Net (C) (i)	1,23,117.76	93,427.26
ii. Loans outside India	-	-
Less: Impairment Loss Allowances	-	-
Total - Net (C) (ii)	-	-
Total - Net (C) (i) and (ii)	1,23,117.76	93,427.26



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 8A INVESTMENTS OF LIFE INSURANCE POLICYHOLDERS

(₹ Crore)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
A. Carried at Amortised Cost				
Quoted				
Investments in Government or Trust Securities		24,111.37		17,651.88
Investments in Debentures	7,938.91		7,091.38	
Less: Impairment Loss Allowances for Investments in Debentures	(5.09)	7,933.82	(4.76)	7,086.62
Investments - Others		260.68		417.04
Unquoted				
Investments - Others		-		10.29
B. Carried at Fair Value through Other Comprehensive Income				
Quoted				
Investments in Government or Trust Securities		5,098.71		4,618.67
Investments in Debentures	5,016.88		4,322.63	
Less: Impairment Loss Allowances for Investments in Debentures	(3.65)	5,013.23	(2.45)	4,320.18
Investments - Others		263.91		94.48
Unquoted				
Investments - Others		67.77		-
C. Carried at Fair Value through Profit or Loss				
Quoted				
Investments in Equity Instruments		3,578.49		2,541.91
Unquoted				
Investments in Equity Instruments		296.41		202.78
Investments in Mutual Funds		27.73		-
		46,652.12		36,943.85
Investments in India		46,652.12		36,943.85
Investments outside India		-		-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 8B INVESTMENTS OF LIFE INSURANCE SHAREHOLDERS

(₹ Crore)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
A. Carried at Fair Value through Other Comprehensive Income				
Quoted				
Investments in Government or Trust Securities		1,291.62		1,218.63
Investments in Debentures	2,519.25		1,870.68	
Less: Impairment Loss Allowances for Investments in Debentures	(3.36)	2,515.89	(2.68)	1,868.00
Investments in Equity Instruments		29.89		75.31
Investments - Others		15.86		3.49
Unquoted				
Investments in Equity Instruments		0.88		0.85
Investments - Others		10.67		-
B. Carried at Fair Value through Profit or Loss				
Quoted				
Investments in Government Securities		7.80		-
Investments in Debentures/Bonds		44.22		52.61
Investments in Equity Instruments		74.55		82.75
Unquoted				
Investments in Mutual Funds		9.60		1.27
		4,000.98		3,302.91
Investments in India		4,000.98		3,302.91
Investments outside India		-		-

NOTE: 9 OTHER INVESTMENTS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
A. Carried at Amortised Cost		
Debentures/Bonds	3.85	310.19
Investments in Security Receipts	-	13.09
B. Carried at Fair Value through Other Comprehensive Income		
Equity Instruments	3.97	3.08
C. Carried at Fair Value through Profit or Loss		
Equity Instruments	0.68	0.35
Government Securities	5,291.31	2,595.68
Debentures/Bonds	1,246.49	1,257.32
Mutual Funds	1,367.00	580.51
Others:		
Preference Shares	-	35.00
Investments in Security Receipts	573.67	510.19
Investments in Alternate Funds	-	21.08
	8,486.97	5,326.49
Investments in India	8,486.97	5,326.49
Investments outside India	-	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 10 ASSETS HELD TO COVER LINKED LIABILITIES OF LIFE INSURANCE BUSINESS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Carried at Fair Value through Profit or Loss		
Quoted		
Mutual Funds	562.74	337.79
Equity Instruments	17,602.36	13,795.91
Government or Trust Securities	10,016.32	7,987.30
Debentures	6,814.14	6,939.60
Other Investments	864.16	1,314.19
Other Assets	66.55	(39.81)
Unquoted		
Other Investments	78.92	170.81
	36,005.19	30,505.79
Investments in India	36,005.19	30,505.79
Investments outside India	-	-

NOTE: 11 OTHER FINANCIAL ASSETS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Carried at Amortised Cost, except otherwise stated		
Security Deposits		
Unsecured	135.62	133.68
Less: Impairment Loss Allowances	(0.05)	(0.02)
Reinsurance Assets	1,363.92	1,274.94
Unclaimed Fund of Policyholders	152.61	197.52
Other Receivables	165.59	179.30
	1,817.69	1,785.42

NOTE: 12 DEFERRED TAX

Deferred Tax Assets

(₹ Crore)

Particulars	As at 1 st April 2022	Movement P&L	Movement OCI	As at 31 st March 2023	Movement P&L	Movement OCI	As at 31 st March 2024
Expected Credit Loss Allowances	284.22	177.33	-	461.55	22.40	-	483.95
Employee Benefits Provisions and Other Provisions	31.00	(24.34)	(4.25)	2.41	17.53	4.82	24.76
Others	9.21	3.56	-	12.77	(3.57)	-	9.20
Total	324.43	156.55	(4.25)	476.73	36.36	4.82	517.91

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Deferred Tax Liabilities

Particulars	(₹ Crore)						
	As at 1 st April 2022	Movement P&L	Movement OCI	As at 31 st March 2023	Movement P&L	Movement OCI	As at 31 st March 2024
Impact of Fair Valuation on account of Business Combination ¹	98.82	-	-	98.82	-	-	98.82
Deferred Tax on Undistributed Earnings ²	236.59	33.79	-	270.38	58.71	-	329.09
Fair Value Changes of Investments	49.12	4.35	(14.01)	39.46	7.23	4.57	51.26
Deferred Tax on Remeasurement of Gains/(Losses) on Defined Benefit Plans and Others	(1.35)	0.54	0.07	(0.74)	(0.38)	-	(1.12)
Investment Property	(0.09)	(0.13)	-	(0.22)	(0.52)	-	(0.74)
Others	(9.32)	3.16	-	(6.16)	7.39	-	1.23
Total	373.77	41.71	(13.94)	401.54	72.43	4.57	478.54

1. Deferred Tax on account of difference between Fair Value and Carrying Value of a Subsidiary at the time of Business Combination as per Ind AS-103.
2. The Group has not recognised Deferred Tax Liability on undistributed profits of Subsidiaries, since it is able to control the timing of the reversal of temporary differences associated with such undistributed profits, and it is probable that such differences will not reverse in the foreseeable future.

NOTE: 13 INVESTMENT PROPERTY

Particulars	(₹ Crore)	
	Amount	
Gross Carrying Value		
As at 1 st April 2022		16.87
As at 31 st March 2023		16.87
As at 31 st March 2024		16.87
Accumulated Depreciation		
As at 1 st April 2022		2.06
For the Year		0.44
As at 31 st March 2023		2.50
For the Year		0.43
As at 31 st March 2024		2.93
Net Block as at 31 st March 2023		14.37
Net Block as at 31 st March 2024		13.94

The Group has carried out the valuation activity through a Registered Valuer in terms of the Companies Act, 2013, to assess fair value of its Investment Property. As per report provided by the valuer, the fair value is ₹ 19.02 Crore as on 31st March 2024 (Previous Year ₹ 18.07 Crore).

The fair value of Investment Property has been derived using the Direct Comparison Method based on recent market prices, without any significant adjustments being made in observable data. Accordingly, fair value estimates for Investment Property is classified as Level 3.

The Group has no restrictions on the realisability of its Investment Property, and has no contractual obligations to purchase, construct or develop Investment Property.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Information regarding Income and Expenditure of Investment Property.

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Rental Income derived from Investment Property	0.53	0.50
Direct Operating Expenses (including Repairs and Maintenance) associated with Rental Income	(0.06)	(0.06)
Profit arising from Investment Property before Depreciation and Indirect Expenses	0.47	0.44
Depreciation for the Year	(0.43)	(0.44)
Profit/(Loss) arising from Investment Property before Indirect Expenses	0.04	-

NOTE: 14 PROPERTY, PLANT AND EQUIPMENT

(₹ Crore)

Particulars	Freehold Land*	Freehold Buildings	Leasehold Improve- ments	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross Block								
As at 1st April 2022	0.15	2.76	39.20	22.21	130.70	25.82	42.69	263.53
Additions	-	-	22.23	32.63	27.06	12.43	21.20	115.55
Deletions	-	-	11.77	3.68	9.54	8.54	13.04	46.57
Derecognition - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	-	17.93	-	32.92	2.98	4.75	58.58
As at 31st March 2023	0.15	2.76	31.73	51.16	115.30	26.73	46.10	273.93
Additions	-	-	32.13	33.02	63.30	16.58	40.81	185.84
Deletions	-	-	8.17	2.27	18.04	1.71	13.50	43.69
As at 31st March 2024	0.15	2.76	55.69	81.91	160.56	41.60	73.41	416.08
Accumulated Depreciation								
As at 1st April 2022	-	0.25	15.79	16.66	82.81	12.75	20.84	149.10
For the Year	-	0.05	10.03	8.57	20.45	6.98	8.17	54.25
Deletions	-	-	11.41	3.67	9.30	8.03	8.92	41.33
Derecognition - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	-	8.69	-	23.55	1.99	1.48	35.71
As at 31st March 2023	-	0.30	5.72	21.56	70.41	9.71	18.61	126.31
For the Year	-	0.05	14.73	16.30	22.36	7.14	13.16	73.74
Deletions	-	-	4.08	6.24	17.79	0.97	10.33	39.41
As at 31st March 2024	-	0.35	16.37	31.62	74.98	15.88	21.44	160.64
Net Block as at 31st March 2023	0.15	2.46	26.01	29.60	44.89	17.02	27.49	147.62
Net Block as at 31st March 2024	0.15	2.41	39.32	50.29	85.58	25.72	51.97	255.44

* Disputed immovable property held in the name of Subsidiary Company - Aditya Birla Money Limited.

The Group has a land of ₹ 15 lakh in the name of Apollo Sindhoori Capital Investments Limited (currently known as Aditya Birla Money Limited) and the title is under dispute, and the matter is in subjudice. The land could not be registered or transferred onto the Company due to pendency at District Court at Sangareddy. As per the court order, the parties (including the Company) were required to maintain status quo with respect to schedule property until further orders.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 15 GOODWILL

Particulars	Amount
As at 1st April 2022	570.03
Derecognition of Goodwill pertaining to Health Insurance Business CGU on account of Conversion from Subsidiary to Joint Venture	15.20
As at 31st March 2023	554.83
Impairment of Goodwill	-
As at 31st March 2024	554.83

Note:

- a) Carrying Value of Goodwill pertaining to Life Insurance Business CGU (Aditya Birla Sun Life Insurance Company Limited) as on 31st March 2024 is ₹ 306.68 Crore (31st March 2023 is ₹ 306.68 Crore). Recoverable amount for units is based on fair value less cost of disposal calculated based on comparable company multiple.

An analysis of the sensitivity of the computation to a change in key parameters (market multiples), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

- b) Carrying Value of Goodwill pertaining to Stock and Securities CGU (Aditya Birla Money Limited) as on 31st March 2024 is ₹ 183.64 Crore (31st March 2023 is ₹ 183.64 Crore). Recoverable amount for the CGU is based on market price of the Company.

- c) Carrying Value of Goodwill pertaining to NBFC Business CGU (Aditya Birla Finance Limited) as on 31st March 2024 is ₹ 64.46 Crore (31st March 2023 is ₹ 64.46 Crore). Recoverable amount for units is based on fair value less cost of disposal calculated based on comparable company multiple.

An analysis of the sensitivity of the computation to a change in key parameters (market multiples), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

NOTE: 16 OTHER INTANGIBLE ASSETS

Particulars	Software and Applications
Gross Block	
As at 1st April 2022	622.52
Additions	124.00
Deletions	6.47
Derecognition - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	187.15
As at 31st March 2023	552.90
Additions	184.77
Deletions	3.24
As at 31st March 2024	734.43
Accumulated Amortisation	
As at 1st April 2022	363.57
For the Year	108.31
Deletions	5.22
Derecognition - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	82.10
As at 31st March 2023	384.56



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Software and Applications
For the Year	90.23
Deletions	2.98
As at 31st March 2024	471.81
Net Block as at 31st March 2023	168.34
Net Block as at 31st March 2024	262.62

NOTE: 17 OTHER NON-FINANCIAL ASSETS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Unsecured, except otherwise stated		
Capital Advances	36.54	18.58
GST, Other Taxes Recoverable, Statutory Deposits and Dues from Government		
Considered Good	107.45	66.38
Considered Doubtful	-	0.89
Less: Impairment Loss Allowances	-	(0.89)
Advance for Expenses	22.89	6.35
Deferred Acquisition Costs	0.59	1.38
Prepaid Expenses	127.54	88.08
Gratuity Assets Receivables	165.29	136.31
Others	125.25	77.28
	585.55	394.36

NOTE: 18 TRADE PAYABLES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	30.89	24.97
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,382.19	1,381.60
	1,413.08	1,406.57

Note:

This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Following is the Ageing Schedule of Trade Payables:

As at 31st March 2024

(₹ Crore)

Particulars	Unbilled	Not Due	Outstanding for the following periods from the Due Date of Payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Dues - MSME	0.50	3.42	24.74	1.42	0.34	0.47	30.89
(ii) Undisputed Dues - Others	524.04	38.40	746.16	54.79	7.44	11.36	1,382.19
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	524.54	41.82	770.90	56.21	7.78	11.83	1,413.08

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

As at 31st March 2023

(₹ Crore)

Particulars	Unbilled	Not Due	Outstanding for the following periods from the Due Date of Payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Dues - MSME	1.49	-	22.09	0.72	0.44	0.23	24.97
(ii) Undisputed Dues - Others	597.11	-	763.43	8.68	5.35	7.03	1,381.60
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
	598.60	-	785.52	9.40	5.79	7.26	1,406.57

NOTE: 19 DEBT SECURITIES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Secured		
(At Amortised Cost)		
Redeemable Non-Convertible Debentures	23,844.39	18,471.85
Market Linked Debentures	-	52.88
(Designated at Fair Value through Profit or Loss)		
Redeemable Non-Convertible Debentures	497.87	944.53
	24,342.26	19,469.26
Unsecured		
(At Amortised Cost)		
Redeemable Non-Convertible Debentures	212.45	161.00
Commercial Papers	12,340.84	7,614.60
	12,553.29	7,775.60
Total	36,895.55	27,244.86
In India	36,895.55	27,244.86
Outside India	-	-

NOTE: 20 BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Secured		
(At Amortised Cost)		
Term Loans from		
Banks	54,783.11	45,658.23
Others	-	0.42
External Commercial Borrowings from Foreign Banks	3,402.05	1,950.22
Loans Repayable on Demand from Banks	7,800.59	5,409.27
Collateralised Borrowings and Lending Obligations (CBLO) against Government Securities	300.22	200.03
	66,285.97	53,218.17



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Unsecured		
(At Amortised Cost)		
Loans from Others (Inter Corporate Borrowings, etc.)	2,547.56	596.72
Loans Repayable on Demand/Term Loans from Banks	0.89	0.58
	2,548.45	597.30
Total	68,834.42	53,815.47
In India	65,432.37	51,865.25
Outside India	3,402.05	1,950.22

NOTE: 21 SUBORDINATED LIABILITIES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
(At Amortised Cost)		
Preference Shares issued by Subsidiary Companies	11.00	11.20
Subordinated Debt and Others	3,799.13	3,249.24
Total	3,810.13	3,260.44
In India	3,660.24	3,110.50
Outside India	149.89	149.94

Repayment Terms and Interest Rate of Borrowings are as under:

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
A Debt Securities		
Secured Redeemable Non-Convertible Debentures		
Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain financial assets of the respective subsidiaries:		
The repayment terms and rate of interest of debentures are as under:		
Repayment Terms: Maturing within 1 year, Rate of Interest 5.75% to 9.25% per annum	2,622.20	3,389.60
Repayment Terms: Maturing between 1 and 3 years, Rate of Interest 5.12% to 9.25% per annum	8,128.37	8,257.94
Repayment Terms: Maturing after 3 years, Rate of Interest 6.70% to 9.15% per annum	13,381.04	7,553.46
Repayment linked to the receipt of distribution amount from redemption of Security Receipts (SR), against which the debentures are issued, Rate of Interest 11.50% per annum	210.65	215.38
Secured Market Linked Debentures		
The redemption premium/coupon payable is linked to performance of underlying/reference index	-	52.88
Unsecured Redeemable Non-Convertible Debentures		
Repayment Terms: Maturing after 3 years, Rate of Interest 8.70% per annum	212.45	161.00
Commercial Papers		
Commercial Papers - Rate of Interest 7.27% to 9.10% per annum	12,340.84	7,614.60

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
B Borrowings (Other than Debt Securities)		
Secured Rupee Term Loans from Banks		
The term loans from banks are secured by way of first pari-passu charge on the receivables of the respective subsidiaries.		
The repayment terms and rate of interest of term loans are as under:		
Repayment Terms: Maturing upto 5 years, Rate of Interest 2.94% to 10.00% per annum	49,282.65	39,748.35
Repayment Terms: Maturing after 5 years, Rate of Interest 3.90% to 9.00% per annum	5,500.46	5,909.88
External Commercial Borrowings from Foreign Banks		
The term loans from banks are secured by way of first pari-passu charge on the receivables of the respective subsidiaries.		
The repayment terms and rate of interest of term loans are as under:		
Repayment Terms: Maturing upto 5 years, Rate of Interest 7.01% to 9.00% per annum	2,373.51	924.10
Repayment Terms: Maturing after 5 years, Rate of Interest 8.01% to 9.00% per annum	1,028.54	1,026.12
Secured Loans Repayable on Demand		
Working Capital Demand Loans secured by way of first pari-passu charge on receivables of the respective subsidiaries - Rate of Interest 7.01% to 9.00% per annum	7,800.59	3,814.09
Overdraft on account of cheques issued but not presented as on the Balance Sheet date is backed by cash credit facilities, which are secured by way of first pari-passu charge on the receivables of the respective subsidiaries. The repayment terms and rate of interest are same as applicable to cash credit facilities.	-	1,595.18
Term Loans from Others		
Repayment Terms: Quarterly Instalments from 1 st April 2023 till 1 st January 2024 with interest rate 10.21% per annum	-	0.42
Collateralised Borrowing and Lending Obligation (CBLO) against Government Securities	300.22	200.03
Unsecured Rupee Term Loans from Others		
Repayment Terms: Quarterly Instalments from April 2024 till February 2029 with interest ranging from 7.00% to 9.41% per annum	2,547.56	596.72
Unsecured Loans Repayable on Demand from Banks	0.89	0.58
C Subordinated Liabilities		
The Repayment Terms and Rate of Interest of Sub-Debts are as under:		
Subordinate Debts - Debentures 6.00% to 9.76% per annum (Redeemable from December 2024 to September 2033)	3,799.13	3,249.24
0.01% Compulsorily Convertible Preference Shares	11.00	11.20



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 22 POLICYHOLDERS' LIABILITIES (LIFE INSURANCE CONTRACT LIABILITIES AND RESTRICTED SURPLUS)

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Insurance Contract Liabilities	60,787.67	49,520.24
Investment Contract Liabilities	23,494.84	19,287.31
Fair Value Changes of Policyholders' Investments		
Fair Value through Profit or Loss	447.61	118.80
Fair Value through Other Comprehensive Income	618.92	95.70
Policyholders' Fund Other Changes		
Fair Value through Profit or Loss	21.73	8.17
Fair Value through Other Comprehensive Income	(9.17)	45.95
Amortised Cost (Others)	26.86	13.77
	85,388.46	69,089.94

NOTE: 23 OTHER FINANCIAL LIABILITIES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Carried at Amortised Cost, except otherwise stated		
Other Payables		
Deposits	6.07	7.48
Dues to Life Insurance Policyholders	1,156.63	1,272.70
Payable Related to Employees	446.54	411.88
Payable for Capex Creditors	25.93	1.62
Others (including Book Overdraft, MTM - FRA Payable and Other Payables, etc.)	3,391.25	869.05
	5,026.42	2,562.74

NOTE: 24 PROVISIONS

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Provisions for Employee Benefits		
Provision for Leave Encashment	61.38	46.36
Provision for Gratuity	172.64	145.87
Provision for Others	61.46	50.00
Others		
Provision on Corporate Guarantees	0.48	0.62
Other Provisions	23.06	21.19
	319.02	264.04

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Movement of Provision on Corporate Guarantees		
Balance at the beginning of the year	0.62	0.52
Add: Provision created/(reversed) during the year	(0.14)	0.10
Balance at the end of the year	0.48	0.62
Movement of Other Provisions		
Balance at the beginning of the year	21.19	16.17
Add: Provision during the year	1.87	5.02
Balance at the end of the year	23.06	21.19

Nature of Provision:

The provision is for anticipated liability, which is made on the basis of the Management expectation as expected timing of any resulting outflow of economic benefits is uncertain.

NOTE: 25 OTHER NON-FINANCIAL LIABILITIES

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Income Received in Advance	80.83	70.93
Statutory Dues	200.28	197.35
Others	5.03	3.90
	286.14	272.18



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 26 SHARE CAPITAL

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Authorised:		
4,00,00,00,000 (Previous Year: 4,00,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Paid-up:		
Equity Share Capital		
2,60,00,21,884 (Previous Year 2,41,79,94,042) Equity Shares of ₹ 10/- each fully paid-up	2,600.02	2,417.99
	2,600.02	2,417.99

1) Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the Year

Sr. No.	Description	As at	As at
		31 st March 2024	31 st March 2023
		Equity Shares	Equity Shares
1	Number of Shares Outstanding at the beginning of the Year	2,41,79,94,042	2,41,63,11,986
2	Allotment of Fully Paid-up Shares during the Year	18,20,27,842	16,82,056
	a) Qualified Institutional Placement (Refer Note No. 63[1])	10,00,00,000	-
	b) Preferential Issuance (Refer Note No. 63[1])	7,57,11,688	-
	c) Employee Stock Options Plan (Refer Note No.47)	63,16,154	15,01,345
	d) ABCL ESOP 2017 (Refer Note No.47)	-	1,80,711
3	Number of Shares Outstanding at the end of the Year	2,60,00,21,884	2,41,79,94,042

2) 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.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of the Equity Shares held by the shareholders.

3) Equity Shares in the Company held by each shareholder holding more than 5 per cent Shares and the number of Equity Shares held are as under:

Equity Shares

Sr. No.	Name of the Shareholder	As at 31 st March 2024		As at 31 st March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Grasim Industries Limited	1,36,98,09,351	52.68%	1,30,92,40,000	54.15%
2	Birla Group Holdings Private Limited	18,45,06,156	7.10%	18,45,06,156	7.63%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

4) The Number of Shares Held in the Company by each Promoter is as under:

Equity Shares

Sr. No.	Name of the Promoter	As at 31 st March 2024			As at 31 st March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	% Change during the Year	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Grasim Industries Limited	1,36,98,09,351	52.68%	-1.46%	1,30,92,40,000	54.15%
2	Birla Group Holdings Private Limited	18,45,06,156	7.10%	-0.53%	18,45,06,156	7.63%
3	Essel Mining and Industries Limited*	5,36,92,810	2.07%	2.07%	-	-
4	IGH Holdings Private Limited*	-	-	-2.22%	5,36,92,810	2.22%
5	Hindalco Industries Limited	3,95,11,455	1.52%	-0.11%	3,95,11,455	1.63%
6	Umang Commercial Company Private Limited	3,74,44,766	1.44%	-0.11%	3,74,44,766	1.55%
7	Pilani Investment and Industries Corporation Limited	3,36,01,721	1.29%	-0.10%	3,36,01,721	1.39%
8	PT Indo Bharat Rayon	2,80,05,628	1.08%	-0.08%	2,80,05,628	1.16%
9	Surya Kiran Investments Pte Limited	3,76,49,337	1.45%	0.52%	2,25,07,000	0.93%
10	Thai Rayon Public Company Limited	26,95,000	0.10%	-0.01%	26,95,000	0.11%
11	PT Sunrise Bumi Textiles	17,76,250	0.07%	-0.01%	17,76,250	0.07%
12	PT Elegant Textile Industry	11,32,250	0.04%	0.00%	11,32,250	0.05%
13	Birla Institute of Technology and Science	9,25,687	0.04%	0.00%	9,25,687	0.04%
14	Ms. Rajashree Birla	7,73,989	0.03%	0.00%	7,73,989	0.03%
15	ECE Industries Limited	4,71,931	0.02%	0.00%	4,71,931	0.02%
16	Renuka Investments & Finance Limited	3,39,059	0.01%	0.00%	3,39,059	0.01%
17	Ms. Vasavadatta Bajaj	1,65,951	0.01%	0.00%	1,65,951	0.01%
18	Aditya Vikram Kumar Mangalam Birla HUF	1,25,608	0.00%	0.00%	1,25,608	0.01%
19	Birla Industrial Finance (India) Limited	1,22,479	0.00%	0.00%	1,22,479	0.01%
20	Birla Consultants Limited	1,22,334	0.00%	0.00%	1,22,334	0.01%
21	Ms. Neerja Birla	1,02,286	0.00%	0.00%	1,02,286	0.00%
22	Mr. Kumar Mangalam Birla	51,790	0.00%	0.00%	51,790	0.00%
23	Birla Industrial Investments (India) Limited	26,119	0.00%	0.00%	26,119	0.00%
24	Vikram Holdings Private Limited	1,050	0.00%	0.00%	1,050	0.00%
25	Vaibhav Holdings Private Limited	938	0.00%	0.00%	938	0.00%
26	Rajratna Holdings Private Limited	938	0.00%	0.00%	938	0.00%

* On 26th April 2023 Essel Mining and Industries Limited ("EMIL") has acquired 5,36,92,810 Equity Shares from IGH Holdings Private Limited, wholly owned subsidiary of EMIL through inter-se transfer. The acquisition was under Regulation 10(1) of SEBI (SAST) Regulation and Regulation 4(1) of SEBI (PT) Regulations. Pursuant to the same, EMIL has become part of Promoter Group.

- 5) During the last five years no Bonus Shares were issued.
- 6) Details of the Shares reserved for issue under Employee Stock Options Plan ("ESOP") of the Company are disclosed in Note No. 47.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 27 OTHER EQUITY

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
1) Special Reserve ^(a)		
Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	1,649.82	1,310.79
Opening Balance		
Addition:		
Transfer from Surplus in the Statement of Profit and Loss	587.03	339.03
	2,236.85	1,649.82
Special Reserve u/s 29C of the National Housing Bank Act, 1987		
Opening Balance	12.08	5.43
Addition:		
Transfer from Surplus in the Statement of Profit and Loss	21.04	6.65
	33.12	12.08
Reserve u/s 36(1)(viii) of the Income-tax Act, 1961		
Opening Balance	146.74	105.22
Addition:		
Transfer from Surplus in the Statement of Profit and Loss	37.09	41.52
	183.83	146.74
	2,453.80	1,808.64
2) Capital Reserve	48.40	48.40
3) Securities Premium Reserve ^(b)		
Opening Balance	6,109.91	6,087.06
Addition:		
Issue of Equity Shares on account of Qualified Institution Placement and Preferential Issuance	2,824.29	-
Exercise of ESOP including ESOP issued by Subsidiary companies	66.37	7.23
Transferred from Share Options Outstanding Account on Exercise of ESOP	41.14	15.62
Deduction:		
Share Issue Expenses	(37.37)	-
	9,004.34	6,109.91
4) Capital Fund	0.01	0.01
5) Debenture Redemption Reserve		
Opening Balance	25.50	25.50
Addition:		
Transfer from Surplus in the Statement of Profit and Loss	12.75	-
	38.25	25.50
6) Share Options Outstanding Account		
Opening Balance	233.00	192.21
Addition:		
Charge for the year	110.58	59.81
Deduction:		
Transfer to General Reserve on account of Lapse of Vested ESOP	(0.79)	(3.40)
Transfer to Securities Premium Reserve on Exercise of ESOP	(41.14)	(15.62)
	301.65	233.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
7) Surplus in Profit and Loss Account		
Opening Balance	9,590.12	5,184.48
Addition:		
Profit for the Year	3,334.98	4,795.77
Other Comprehensive Income/(Losses) for the Year arising from Re-measurement Gains/(Losses) on Defined Benefit Plans	6.49	4.13
Share of Associates and Joint Ventures in Other Comprehensive Income	(0.63)	(0.05)
Reclassification of Gain/Loss on Sale of FVOCI Equity Instruments	-	2.53
Reclassification of Other Comprehensive Income to Profit and Loss Account on account of partial stake sale in Associate Company	0.85	-
Others including Subvention Money Received	0.29	(9.54)
Deduction:		
Transfer to Special Reserve	(645.16)	(387.20)
Transfer to Debenture Redemption Reserve	(12.75)	-
	12,274.19	9,590.12
8) General Reserve ^(c)		
Opening Balance	57.61	54.21
Addition:		
Transfer from Share Options Outstanding Account on account of Lapse of Vested ESOP	0.79	3.40
	58.40	57.61
9) Fair Value through Other Comprehensive Income ^(d)		
Opening Balance	9.80	57.15
Addition:		
Fair Value Gain/(Loss) on Fair Value through Other Comprehensive Income (FVTOCI) Financial Assets and Cash Flow Hedges	14.98	(47.35)
	24.78	9.80
10) Foreign Currency Translation Reserve		
Opening Balance	8.59	5.22
Addition:		
Charge for the year	0.10	3.37
Deduction:		
Reclassification of Other Comprehensive Income to Profit and Loss Account on account of partial stake sale in Associate Company	(0.85)	-
	7.84	8.59
11) Share Application Money Pending Allotment		
Opening Balance	1.18	0.12
Add: Addition during the Year (Net)	4.40	1.06
	5.58	1.18
Total Other Equity	24,217.24	17,892.76



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(a) Special Reserve

Special Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

As per Section 29C(i) of the National Housing Bank Act, 1987, the Housing Finance, subsidiary of the Company is required to transfer at least 20 per cent of its net profit every year to a reserve before any dividend is declared. For this purpose, any special reserve created by the Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer.

(b) Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(c) General Reserve

General Reserve is created by appropriation from profits of the current year and/or undistributed profits of previous years. There is no policy for regular transfer. 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.

(d) Fair Value through Other Comprehensive Income - Reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised/sold. In case of debt instruments, the same is reclassified to profit and loss when the relevant debt instruments are derecognised/sold.

NOTE: 28 INTEREST INCOME

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest on Loans		
On Financial Assets Measured at Amortised Cost	13,531.21	8,966.79
Interest Income from Investments		
On Financial Assets Measured at Fair Value through OCI	276.61	244.01
On Financial Assets Measured at Amortised Cost	30.29	89.75
On Financial Assets Classified at Fair Value through Profit or Loss	245.43	168.06
Interest on Deposits with Banks		
On Financial Assets Measured at Fair Value through OCI	0.77	-
On Financial Assets Measured at Amortised Cost	127.60	28.12
Interest on Deposits with Others		
On Financial Assets Measured at Amortised Cost	78.67	66.43
	14,290.58	9,563.16

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 29 DIVIDEND INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
On Financial Assets Classified at Fair Value through Profit or Loss	2.72	2.92
	2.72	2.92

NOTE: 30 NET GAIN ON FAIR VALUE CHANGES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Net Gain/(Loss) on Financial Instruments at Fair Value through Profit or Loss ("FVTPL")		
On Trading Portfolio		
Equity Investments at FVTPL	(0.11)	74.82
Debt Instruments at FVTPL	361.99	38.67
Net Gain/(Loss) on Financial Instruments at Fair Value through OCI ("FVTOCI")		
Equity Instrument at FVTOCI	0.05	-
Debt Instruments at FVTOCI	0.20	0.28
Others		
Gain/(Loss) on Sale of FVTOCI Debt Instruments	-	0.58
	362.13	114.35
Fair Value Changes:		
Realised	271.25	157.38
Unrealised	90.88	(43.03)

NOTE: 31 NET GAIN ON DE-RECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Reversal of Expected Credit Loss on Derecognition of Financial Instruments (net of bad debts written off) related to Housing Finance Business	7.42	-
Income on Assigned Loans	51.56	-
	58.98	-

NOTE: 32 OTHER INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest Income - Others	18.82	8.43
Gain on account of Fair Value of Investments in Health Insurance Business on Conversion from Subsidiary to Joint Venture. (Refer Note No. 58)	-	2,739.07
Profit/(Loss) on Sale of Property, Plant and Equipment	-	0.19
Miscellaneous Income	36.22	37.99
	55.04	2,785.68



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 33 FINANCE COSTS

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest on Financial Liabilities Measured at Amortised Cost		
Debt Securities	2,485.62	1,623.58
Borrowings other than Debt Securities	4,826.61	2,869.56
Subordinated Liabilities	270.26	207.68
Other Borrowing Costs	7.79	5.09
Finance Costs - Lease Liabilities (Refer Note No. 42)	26.97	16.09
	7,617.25	4,722.00

NOTE: 34 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
On Loans Held at Amortised Cost	1,352.56	975.59
On Trade Receivables and Others	(0.27)	5.50
	1,352.29	981.09

NOTE: 35 EMPLOYEE BENEFITS EXPENSES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Salaries and Wages	1,372.12	1,032.63
Contribution to Provident and Other Funds (Refer Note No. 46)	54.27	38.77
Contribution to Gratuity Funds (Refer Note No. 46)	13.13	12.12
Expenses on Employee Stock Options Scheme (Refer Note No. 47)	56.90	25.84
Staff Welfare Expenses	41.46	30.71
	1,537.88	1,140.07

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Depreciation of Property, Plant and Equipment	57.71	34.20
Depreciation on Investment Property	0.43	0.44
Amortisation of Intangible Assets	60.28	56.66
Amortisation of Lease Assets (Refer Note No. 42)	75.40	53.53
	193.82	144.83

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 37 OTHER EXPENSES

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Rent	16.18	10.86
Repairs and Maintenance - Buildings	0.59	0.92
Repairs and Maintenance - Others	59.36	45.25
Insurance	100.84	49.06
Rates and Taxes	9.06	5.08
Advertisement and Sales Promotion Expenses	114.85	20.01
Legal and Professional Expenses (including Collection Cost)	401.56	304.37
Travelling and Conveyance	56.01	38.28
Printing and Stationery	10.05	7.31
Communication Expenses	15.13	13.86
Electricity Charges	12.15	8.11
Directors' Sitting Fees	2.17	3.24
Information Technology Expenses	130.79	77.08
Miscellaneous Expenses	304.03	199.28
	1,232.77	782.71

NOTE: 38 OTHER COMPREHENSIVE INCOME

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A Relating to Revenue Account of Life Insurance Policyholders		
(i) Items that will not be reclassified to profit or loss in subsequent periods		
Re-measurement of Post-Employment Benefit Obligations	(10.04)	(2.70)
Transferred to Policyholders' Fund in the Balance Sheet	10.04	2.70
	-	-
(ii) Items that will be reclassified to profit or loss in subsequent periods		
Changes in Fair Values of FVTOCI Debt Instruments	119.44	(181.88)
Cash Flow Hedges	403.78	55.40
	523.22	(126.48)
Transferred to Policyholders' Fund in the Balance Sheet	(523.22)	126.48
	-	-
B Relating to Revenue Account of Health Insurance Policyholders		
(i) Items that will not be reclassified to profit or loss in subsequent periods		
Re-measurement of Post-Employment Benefit Obligations	-	0.36
(ii) Items that will be reclassified to profit or loss in subsequent periods		
Changes in Fair Values of FVTOCI Debt Instruments	-	(35.96)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
C Relating to Others		
(i) Items that will not be reclassified to profit or loss in subsequent periods		
Re-measurement of Post-Employment Benefit Obligations	8.29	5.57
Changes in Fair Value of FVTOCI Equity Instruments	48.75	(5.46)
Share of Other Comprehensive Income of Associate and Joint Venture Companies accounted for using Equity Method of Accounting	(0.63)	(0.05)
	56.41	0.06
Income Tax relating to items that will not be reclassified to profit or loss		
Income Tax relating to Re-measurement of Post-Employment Benefit Obligations	(2.01)	(1.44)
Income Tax relating to Changes in Fair Values of FVTOCI Equity Instruments	(18.87)	0.72
	(20.88)	(0.72)
(ii) Items that will be reclassified to profit or loss in subsequent periods		
Changes in Fair Values of FVTOCI Debt Instruments	41.22	(96.47)
Cash Flow Hedges	(26.81)	11.26
Share of Foreign Currency Translation Reserve (FCTR) and FVTOCI Debt Instruments of Associate and Joint Venture Companies accounted for using Equity Method of Accounting	7.38	8.92
	21.79	(76.29)
Income Tax relating to items that will be reclassified to profit or loss		
Income Tax Effect - Net Movement on FVTOCI Debt Instruments	(7.33)	13.09
Income Tax Effect - Net Movement on Cash Flow Hedges	6.74	(2.83)
	(0.59)	10.26
Other Comprehensive Income	56.73	(102.29)

NOTE: 39 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 - EARNINGS PER SHARE

Particulars		Year ended 31 st March 2024	Year ended 31 st March 2023
Earnings Per Share ("EPS") is calculated as under:			
Weighted-Average Number of Equity Shares for calculation of Basic EPS	(A)	2,55,53,68,985	2,41,67,87,413
Add: Dilutive Impact of Employee Stock Options		1,96,30,531	94,86,527
Weighted-Average Number of Equity Shares for calculation of Diluted EPS	(B)	2,57,49,99,516	2,42,62,73,940
Nominal Value of Shares (₹)		10.00	10.00
Profit for the Year attributable to Owners of the Company (₹ Crore)	(C)	3,334.98	4,795.77
Basic EPS (₹)	(C/A)	13.05	19.84
Diluted EPS (₹)	(C/B)	12.95	19.77

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 40 CONTINGENT LIABILITIES NOT PROVIDED FOR

A) Claims Against the Group not Acknowledged as Debts

		(₹ Crore)	
Nature of the Statute	Brief Description of Contingent Liabilities	As at 31 st March 2024	As at 31 st March 2023
Goods and Services Tax Act, 2017/Service Tax	Various cases pertaining to indirect taxes like disallowance of CENVAT, credit of Service Tax and show cause-cum-demand notices relating to Service Tax	154.55	64.22
Income-tax Act, 1961	Various cases pertaining to demand in tax assessment for various years	43.40	42.23
Other Statutes	Claims pending in Consumer Redressal Forums, Lok Adalat, National Commission, Motor Accidental Claims Tribunal, Arbitrator, other Courts/ Authorities, other legal matters and claims against the Company not acknowledged as debts, etc.	108.57	102.13
Grand Total		306.53	208.58

B) Corporate Guarantees given by the Group

1,683.89 2,138.34

- i) Includes Corporate Guarantees issued to the National Housing Bank on behalf of its subsidiary Aditya Birla Housing Finance Limited ("ABHFL") of ₹ 3,500 Crore upto 31st March 2024 (Previous Year as at 31st March 2023 is ₹ 3,500 Crore) for ABHFL borrowing, against which the amount outstanding in the books of ABHFL as at 31st March 2024 is ₹ 1,607.52 Crore (Previous Year as at 31st March 2023 ₹ 2,057.71 Crore). As per the terms of the Guarantee, the Company's liability is capped at the outstanding amount on invocation.
- ii) Includes Corporate Guarantees given by the Group on behalf of its clients of ₹ 76.37 Crore as at 31st March 2024 (Previous Year as at 31st March 2023 ₹ 80.08 Crore).

NOTE: 41 CAPITAL AND OTHER COMMITMENTS

		(₹ Crore)	
Particulars		As at 31 st March 2024	As at 31 st March 2023
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)		97.80	57.86
b) Uncalled Liabilities on Shares and other Investments partly paid		149.81	289.73
c) Undisbursed commitments where Aditya Birla Finance Limited does not have an unconditional rights to cancel the undrawn/unavailed/ unused portion of the loan at any time during the subsistence of the loan ₹ Nil.			
d) The sanctioned but partially undisbursed amount of Aditya Birla Housing Finance Limited stands at ₹ 2,892.38 Crore (31 st March 2023: ₹ 1,449.96 Crore); whereas sanctioned but fully undisbursed amount stands at ₹ 1,824.55 Crore (31 st March 2023: ₹ 1,066.44 Crore).			



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 42 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 116 - LEASES IS AS UNDER

Following are the changes in the carrying value of Right-of-Use Assets

Particulars	(₹ Crore)	
	ROU Assets Leasehold Premises	
Gross Carrying Value		
Balance as at 1st April 2022		585.80
Additions		211.96
Deletions		61.00
Less: Adjustment of Lease of Aditya Birla Health Insurance Co. Limited on account of conversion from Subsidiary to Joint Venture		27.07
Balance as at 31st March 2023		709.69
Additions		364.21
Deletions		96.96
Balance as at 31st March 2024		976.94
Accumulated Amortisation		
As at 1st April 2022		238.63
Additions		90.81
Deletions		13.33
Balance as at 31st March 2023		316.11
Additions		127.04
Deletions		31.71
Balance as at 31st March 2024		411.44
Net Carrying Value as at 31st March 2023		393.58
Net Carrying Value as at 31st March 2024		565.50

Amounts Recognised in the Statement of Profit and Loss

Particulars	(₹ Crore)	
	Year ended 31 st March 2024	Year ended 31 st March 2023
Amortisation Expenses on Right-of-Use Assets	127.04	90.81
Interest Expenses on Lease Liabilities	41.65	28.04
Expenses Relating to Short-Term Leases	7.79	2.98
Expenses Relating to Leases of Low Value Assets	27.85	24.73
Income from Sub-Leasing Right-of-Use Assets	10.44	13.65
Others	9.71	19.23
Gains/(Losses) Arising from Changes in Lease Agreements	4.19	(0.44)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The following is the break-up of Current and Non-Current Lease Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current Lease Liabilities	145.62	108.54
Non-Current Lease Liabilities	453.62	308.19
Total	599.24	416.73

The following is the Movement in Lease Liabilities

(₹ Crore)

Particulars	As at/Year ended 31 st March 2024	As at/Year ended 31 st March 2023
Opening Balance	416.73	373.56
Additions	354.47	204.25
Deletions	(80.30)	(53.08)
Finance Cost Accrued during the Year	41.65	28.04
Payment of Lease Liabilities	(133.31)	(105.47)
Less: Adjustment of Lease of Aditya Birla Health Insurance Co. Limited on account of conversion from Subsidiary to Joint Venture	-	(30.57)
Closing Balance	599.24	416.73

The table below provides details regarding the Contractual Maturities of Lease Liabilities as at 31st March 2024 on an undiscounted basis:

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Less than one year	150.64	105.89
One to five years	437.51	279.52
More than five years	146.25	110.09
Total	734.40	495.50

The Group does not face any 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.

NOTE: 43 CAPITAL WORK-IN-PROGRESS ("CWIP")/INTANGIBLE ASSETS UNDER DEVELOPMENT ("IAUD")

(a) Ageing Schedule of Capital Work-in-Progress as on 31st March 2024:

(₹ Crore)

Particulars	Amount in CWIP for a Period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	9.65	-	-	-	9.65
Projects Temporarily Suspended	-	-	-	-	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Ageing Schedule of Capital Work-in-Progress as on 31st March 2023:

(₹ Crore)

Particulars	Amount in CWIP for a Period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	8.62	-	-	-	8.62
Projects Temporarily Suspended	-	-	-	-	-

(b) Ageing Schedule of Intangible Assets Under Development as on 31st March 2024:

(₹ Crore)

Particulars	Amount in IAUD for a Period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	80.55	3.68	0.30	0.05	84.58
Projects Temporarily Suspended	-	-	-	-	-

Ageing Schedule of Intangible Assets Under Development as on 31st March 2023:

(₹ Crore)

Particulars	Amount in IAUD for a Period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	34.27	1.06	0.09	-	35.42
Projects Temporarily Suspended	-	-	-	-	-

NOTE: 44 CURRENT INCOME TAX

(₹ Crore)

Particulars	Year ended	Year ended
	31 st March 2024	31 st March 2023
Current Income Tax Charges	1,138.49	925.31
Short/(Excess) Provision for Current Tax Related to Earlier Years (Net)	(31.09)	0.69
Deferred Tax:		
Relating to origination and reversal of temporary differences	36.07	(114.84)
Income Tax Expenses reported in the Statement of Profit and Loss	1,143.47	811.16
Reconciliation of Tax Expenses and the Accounting Profit multiplied by India's domestic tax rate for 31st March 2024		
Accounting Profit Before Income Tax	4,582.36	5,635.23
At India's Statutory Income Tax Rate of 25.168%	1,153.29	1,418.28
Short/(Excess) Provision for Current Tax Related to Earlier Years (Net)	(31.09)	0.69
Differences other than temporary in nature on account of tax benefits u/s 36(1)(viii) of the Income-tax Act, 1961.	(7.16)	(9.31)
Income not considered for Tax Purpose	(8.07)	(22.28)
Allocation of Bonus to Policyholders	47.29	41.37
Income taxed at Different Rates (including Tax on Gain on Sale of Investment in Associate Company)	(100.75)	(14.18)
Deferred Tax on undistributed earnings of Associate and Joint Venture Companies	58.71	33.79
Tax Effect of Share of Associate and Joint Venture Companies	(76.60)	(68.59)
Deferred Tax not created on loss making Companies*	46.08	42.55
Tax Impact of Gain on Fair Value of Investment in Health Insurance business not considered for tax	-	(689.37)
Others	61.77	78.21
At the effective Income Tax Rate of 24.95% (31st March 2023: 14.39%)	1,143.47	811.16

The Effective Tax Rate excluding Gain on Fair Value of Investment in Health Insurance Business for the year ended 31st March 2023 is 28.01%.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

* In line with accounting policy of the Group, Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses can be utilised. Accordingly, the Group has not recognised deferred tax assets in respect of carry forward of unabsorbed depreciation and unused tax losses of ₹ 21.05 Crore and ₹ 226.87 Crore, respectively, as at 31st March 2024, as it is not probable that taxable profits will be available in future.

The unrecognised tax losses expiring within five years and above five years are ₹ 28.63 Crore and ₹ 198.24 Crore, respectively. The unabsorbed depreciation of ₹ 21.05 Crore can be carried forward indefinitely.

NOTE: 45 LIST OF RELATED PARTIES WITH WHOM THE GROUP HAS TRANSACTIONS DURING THE YEAR

Holding Company:

Grasim Industries Limited

Associate and Joint Ventures:

Aditya Birla Sun Life AMC Limited

Aditya Birla Health Insurance Co. Limited

Aditya Birla Sun Life Trustee Private Limited

Aditya Birla Wellness Private Limited

Other Related Parties in which Directors are interested/Other Related Parties

Aditya Birla Management Corporation Private Limited

Olive Bar & Kitchen Private Limited

Fellow Subsidiaries:

UltraTech Cement Limited

Aditya Birla Renewables Green Power Private Limited
(formerly known as Waacox Energy Private Limited)

ABREL EPC Limited

Post-Employment Benefit Plans:

Grasim Industries Limited Employee Gratuity Fund

Key Management Personnel:

Mr. Kumar Mangalam Birla (Chairman and Non-Executive Director)

Dr. Santrupt Misra (Non-Executive Director) (Ceased to be a Director w.e.f. 18th August 2023)

Mr. Sushil Agarwal (Non-Executive Director)

Mr. Romesh Sobti (Non-Executive Director)

Mr. Arun Adhikari (Independent Director)

Mr. P. H. Ravikumar (Independent Director)

Mr. S. C. Bhargava (Independent Director)

Ms. Vijayalakshmi R. Iyer (Independent Director)

Ms. Vishakha Mulye (Chief Executive Officer w.e.f. 1st July 2022)

Mr. Ajay Srinivasan (Chief Executive Officer till 30th June 2022)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

During the year ended 31st March 2024, the following transactions were carried out with the Related Parties:

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Interest Income							
Grasim Industries Limited	2.31	-	-	-	-	-	2.31
	(2.31)	-	-	-	-	-	(2.31)
UltraTech Cement Limited	-	-	1.51	-	-	-	1.51
	-	-	(1.51)	-	-	-	(1.51)
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	-	5.22	-	-	-	5.22
	-	-	(3.94)	-	-	-	(3.94)
ABREL EPC Limited	-	-	24.35	-	-	-	24.35
	-	-	(3.39)	-	-	-	(3.39)
Umang Commercial Company Private Limited	-	-	-	-	-	-	-
	-	-	-	(1.31)	-	-	(1.31)
Ms. Vishakha Mulye (Interest on Housing Loan)	-	-	-	-	-	0.20	0.20
	-	-	-	-	-	(0.18)	(0.18)
Total	2.31	-	31.08	-	-	0.20	33.59
	(2.31)	-	(8.84)	(1.31)	-	(0.18)	(12.64)
Dividend Income							
Aditya Birla Sun Life AMC Limited	-	75.62	-	-	-	-	75.62
	-	(156.27)	-	-	-	-	(156.27)
Total	-	75.62	-	-	-	-	75.62
	-	(156.27)	-	-	-	-	(156.27)
Brokerage/Commission Income							
Aditya Birla Sun Life AMC Limited	-	2.66	-	-	-	-	2.66
	-	(6.42)	-	-	-	-	(6.42)
Aditya Birla Health Insurance Co. Limited	-	54.22	-	-	-	-	54.22
	-	(2.77)	-	-	-	-	(2.77)
Grasim Industries Limited	0.26	-	-	-	-	-	0.26
	(0.36)	-	-	-	-	-	(0.36)
UltraTech Cement Limited	-	-	0.20	-	-	-	0.20
	-	-	(0.26)	-	-	-	(0.26)
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	-	0.01	-	-	-	0.01
	-	-	(0.03)	-	-	-	(0.03)
Total	0.26	56.88	0.21	-	-	-	57.35
	(0.36)	(9.19)	(0.29)	-	-	-	(9.84)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Insurance Income							
Grasim Industries Limited	3.58	-	-	-	-	-	3.58
	(3.97)	-	-	-	-	-	(3.97)
UltraTech Cement Limited	-	-	3.74	-	-	-	3.74
	-	-	(4.52)	-	-	-	(4.52)
Total	3.58	-	3.74	-	-	-	7.32
	(3.97)	-	(4.52)	-	-	-	(8.49)
Rent Income							
Aditya Birla Wellness Private Limited	-	0.41	-	-	-	-	0.41
	-	(0.41)	-	-	-	-	(0.41)
Aditya Birla Sun Life AMC Limited	-	7.65	-	-	-	-	7.65
	-	(6.60)	-	-	-	-	(6.60)
Aditya Birla Health Insurance Co. Limited	-	8.91	-	-	-	-	8.91
	-	(3.81)	-	-	-	-	(3.81)
Total	-	16.97	-	-	-	-	16.97
	-	(10.82)	-	-	-	-	(10.82)
Sale of Services							
Aditya Birla Sun Life AMC Limited	-	2.35	-	-	-	-	2.35
	-	(2.19)	-	-	-	-	(2.19)
Aditya Birla Health Insurance Co. Limited	-	3.02	-	-	-	-	3.02
	-	(0.65)	-	-	-	-	(0.65)
Total	-	5.37	-	-	-	-	5.37
	-	(2.84)	-	-	-	-	(2.84)
Interest Expenses							
Grasim Industries Limited	0.24	-	-	-	-	-	0.24
	-	-	-	-	-	-	-
Aditya Birla Health Insurance Co. Limited	-	-	-	-	-	-	-
	-	(0.75)	-	-	-	-	(0.75)
Aditya Birla Sun Life AMC Limited	-	-	-	-	-	-	-
	-	(0.81)	-	-	-	-	(0.81)
Total	0.24	-	-	-	-	-	0.24
	-	(1.56)	-	-	-	-	(1.56)
Payment of Other Services							
Grasim Industries Limited	0.53	-	-	-	-	-	0.53
	(0.21)	-	-	-	-	-	(0.21)
Aditya Birla Sun Life AMC Limited	-	3.73	-	-	-	-	3.73
	-	(4.30)	-	-	-	-	(4.30)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Aditya Birla Wellness Private Limited	-	0.34	-	-	-	-	0.34
	-	(0.47)	-	-	-	-	(0.47)
Aditya Birla Management Corporation Private Limited	-	-	-	52.75	-	-	52.75
	-	-	-	(49.80)	-	-	(49.80)
UltraTech Cement Limited	-	-	0.19	-	-	-	0.19
	-	-	(0.17)	-	-	-	(0.17)
Aditya Birla Health Insurance Co. Limited	-	3.80	-	-	-	-	3.80
	-	(0.81)	-	-	-	-	(0.81)
Olive Bar & Kitchen Private Limited	-	-	-	-	-	-	-
	-	-	-	(0.03)	-	-	(0.03)
Total	0.53	7.87	0.19	52.75	-	-	61.34
	(0.21)	(5.58)	(0.17)	(49.83)	-	-	(55.79)
Receipts against Reimbursement of Expenses							
Grasim Industries Limited	-	-	-	-	-	-	-
	(0.24)	-	-	-	-	-	(0.24)
Aditya Birla Wellness Private Limited	-	0.31	-	-	-	-	0.31
	-	(0.21)	-	-	-	-	(0.21)
Aditya Birla Sun Life AMC Limited	-	58.89	-	-	-	-	58.89
	-	(53.90)	-	-	-	-	(53.90)
UltraTech Cement Limited	-	-	-	-	-	-	-
	-	-	(0.03)	-	-	-	(0.03)
Aditya Birla Health Insurance Co. Limited	-	34.64	-	-	-	-	34.64
	-	(27.89)	-	-	-	-	(27.89)
Total	-	93.84	-	-	-	-	93.84
	(0.24)	(82.00)	(0.03)	-	-	-	(82.27)
Other Expenses							
Aditya Birla Wellness Private Limited	-	0.52	-	-	-	-	0.52
	-	(8.33)	-	-	-	-	(8.33)
Total	-	0.52	-	-	-	-	0.52
	-	(8.33)	-	-	-	-	(8.33)
Contribution to PF/Gratuity Fund Trust							
Grasim Industries Limited Employee Gratuity Fund	-	-	-	-	1.08	-	1.08
	-	-	-	-	(5.29)	-	(5.29)
Total	-	-	-	-	1.08	-	1.08
	-	-	-	-	(5.29)	-	(5.29)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Loans and Advances Given							
ABREL EPC Limited	-	-	318.66	-	-	-	318.66
	-	-	(205.07)	-	-	-	(205.07)
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	-	(15.03)	-	-	-	(15.03)
Ms. Vishakha Mulye	-	-	-	-	-	-	-
	-	-	-	-	-	(6.29)	(6.29)
Repayment of Loans and Advances							
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	-	2.46	-	-	-	2.46
	-	-	(2.58)	-	-	-	(2.58)
ABREL EPC Limited	-	-	286.00	-	-	-	286.00
	-	-	-	-	-	-	-
Ms. Vishakha Mulye	-	-	-	-	-	0.39	0.39
	-	-	-	-	-	(0.31)	(0.31)
Payment Received on redemption of Inter-Corporate Deposit/Inter-Corporate Deposit Taken							
Umang Commercial Company Private Limited	-	-	-	-	-	-	-
	-	-	-	(18.00)	-	-	(18.00)
Aditya Birla Sun Life AMC Limited	-	-	-	-	-	-	-
	-	(25.00)	-	-	-	-	(25.00)
Total	-	-	-	-	-	-	-
	-	(25.00)	-	(18.00)	-	-	(43.00)
Inter-Corporate Deposit Repaid							
Aditya Birla Sun Life AMC Limited	-	-	-	-	-	-	-
	-	(25.00)	-	-	-	-	(25.00)
Total	-	-	-	-	-	-	-
	-	(25.00)	-	-	-	-	(25.00)
Assignment of Receivables							
UltraTech Cement Limited	-	-	9.03	-	-	-	9.03
	-	-	-	-	-	-	-
Total	-	-	9.03	-	-	-	9.03
	-	-	-	-	-	-	-



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Inter-Corporate Borrowings Received							
Grasim Industries Limited	50.00	-	-	-	-	-	50.00
	-	-	-	-	-	-	-
Total	50.00	-	-	-	-	-	50.00
	-	-	-	-	-	-	-
Payment to Key Management Personnel							
Directors' Sitting Fees							
Mr. Kumar Mangalam Birla	-	-	-	-	-	0.05	0.05
	-	-	-	-	-	(0.05)	(0.05)
Dr. Santrupt Misra	-	-	-	-	-	0.08	0.08
	-	-	-	-	-	(0.18)	(0.18)
Mr. Sushil Agarwal	-	-	-	-	-	0.12	0.12
	-	-	-	-	-	(0.16)	(0.16)
Mr. Romesh Sobti	-	-	-	-	-	0.06	0.06
	-	-	-	-	-	(0.11)	(0.11)
Mr. Arun Adhikari	-	-	-	-	-	0.12	0.12
	-	-	-	-	-	(0.14)	(0.14)
Mr. P. H. Ravikumar	-	-	-	-	-	0.13	0.13
	-	-	-	-	-	(0.16)	(0.16)
Mr. S. C. Bhargava	-	-	-	-	-	0.15	0.15
	-	-	-	-	-	(0.20)	(0.20)
Ms. Vijayalakshmi R. Iyer	-	-	-	-	-	0.19	0.19
	-	-	-	-	-	(0.19)	(0.19)
Remuneration							
Ms. Vishakha Mulye* (In FY 2022-23, employed for part of the year)							
Short-Term Employee Benefits	-	-	-	-	-	12.45	12.45
	-	-	-	-	-	(6.10)	(6.10)
Post-Employment Benefits	-	-	-	-	-	0.39	0.39
	-	-	-	-	-	(0.30)	(0.30)
Other Long-Term Benefits	-	-	-	-	-	1.38	1.38
	-	-	-	-	-	-	-
ESOP Accounting Charge	-	-	-	-	-	23.77	23.77
	-	-	-	-	-	(11.28)	(11.28)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Mr. Ajay Srinivasan*							
Short-Term Employee Benefits	-	-	-	-	-	2.62	2.62
	-	-	-	-	-	(7.65)	(7.65)
Post-Employment Benefits	-	-	-	-	-	-	-
	-	-	-	-	-	(7.76)	(7.76)
ESOP Accounting Charge	-	-	-	-	-	-	-
	-	-	-	-	-	(0.43)	(0.43)
Total	-	-	-	-	-	41.51	41.51
	-	-	-	-	-	(34.71)	(34.71)
Deposit Given/Paid Back							
Aditya Birla Sun Life AMC Limited	-	0.06	-	-	-	-	0.06
	-	-	-	-	-	-	-
Aditya Birla Health Insurance Co. Limited	-	-	-	-	-	-	-
	-	(0.02)	-	-	-	-	(0.02)
Total	-	0.06	-	-	-	-	0.06
	-	(0.02)	-	-	-	-	(0.02)
Deposit Taken/Received Back							
Aditya Birla Management Corporation Private Limited	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Aditya Birla Sun Life AMC Limited	-	0.22	-	-	-	-	0.22
	-	(0.15)	-	-	-	-	(0.15)
Aditya Birla Health Insurance Co. Limited	-	0.54	-	-	-	-	0.54
	-	-	-	-	-	-	-
Equity Accounted Investments							
Aditya Birla Sun Life AMC Limited	-	1,430.44	-	-	-	-	1,430.44
	-	(1,258.63)	-	-	-	-	(1,258.63)
Aditya Birla Health Insurance Co. Limited	-	2,957.65	-	-	-	-	2,957.65
	-	(3,032.67)	-	-	-	-	(3,032.67)
Aditya Birla Sun Life Trustee Limited	-	0.86	-	-	-	-	0.86
	-	(0.73)	-	-	-	-	(0.73)
Aditya Birla Wellness Private Limited	-	9.14	-	-	-	-	9.14
	-	(11.79)	-	-	-	-	(11.79)
Total	-	4,398.09	-	-	-	-	4,398.09
	-	(4,303.82)	-	-	-	-	(4,303.82)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Holding Company	Associate/ Joint Ventures	Fellow Subsidiaries	Other Related Parties in which Directors are interested/ Other Related Parties	Post-Employment Benefit Plans	Key Management Personnel	Grand Total
Outstanding Balances							
Loans and Advances							
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	-	53.56	-	-	-	53.56
ABREL EPC Limited	-	-	(56.02)	-	-	-	(56.02)
Ms. Vishakha Mulye	-	-	237.73	-	-	-	237.73
	-	-	(205.07)	-	-	-	(205.07)
	-	-	-	-	-	5.60	5.60
	-	-	-	-	-	(5.98)	(5.98)
Total	-	-	291.29	-	-	5.60	296.89
	-	-	(261.09)	-	-	(5.98)	(267.07)
Amount Receivables	41.73	55.36	20.52	6.15	2.80	-	126.56
	(30.64)	(15.25)	(20.73)	(6.15)	(9.68)	-	(82.45)
Amount Payables	50.39	12.64	0.01	8.89	2.26	-	74.19
	-	(16.87)	(0.05)	(5.95)	-	-	(22.87)

- Figures in brackets represent corresponding amount of Previous Year.

- Related parties are defined under Ind AS 24 "Related Party Disclosures" basis information available with the Group.

* Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis at the end of each year, and accordingly, have not been considered in the above information.

NOTE: 46 EMPLOYEE BENEFITS

Disclosure in respect of Employee Benefits pursuant to Ind AS 19

A. The details of the Group's Defined Benefit Plans in respect of Gratuity (Funded by the Group):

General Description of the Plan:

The Group operates gratuity plan through a trust, wherein every employee is entitled to the benefits equivalent to fifteen days salary, last drawn, for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In the case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

Nature of Benefits:

The Group operates a defined benefit final salary gratuity plan, which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan, and the full cost of providing these benefits are met by the Group.

Regulatory Framework:

There are no minimum funding requirements for a gratuity plan in India. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Group and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the Income-tax Act and Rules. Besides this, if the Group is covered by the Payment of Gratuity Act, 1972, then the Group is bound to pay the statutory minimum gratuity as prescribed under this Act.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Governance of the Plan:

The Group has set up an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan.

Inherent Risks:

The plan is of a final salary defined benefit in nature, which is sponsored by the Group, and hence, it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any adverse salary growth or demographic experience or inadequate returns on underlying reimbursement rights can result in an increase in the cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Particulars	(₹ Crore)	
	As at/ For the Year ended 31 st March 2024	As at/ For the Year ended 31 st March 2023
Amounts Recognised in the Balance Sheet in respect of Gratuity		
Present Value of the Funded Defined Benefit Obligation at the end of the year	171.73	144.99
Rights from insurance policies that exactly match the amount and timing of some of the benefits payable under the plan. Those benefits have a present value of ₹ 165.29 Crore	165.29	136.32
Amounts Recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Service Cost	19.66	19.26
Interest on Net Defined Benefit Liabilities/(Assets)	0.37	0.36
Less: Recovery from Associate and Joint Venture Companies	(0.33)	(0.24)
Net Gratuity Cost	19.70	19.38
Amounts Recognised in Other Comprehensive Income ("OCI") for the Year		
Actual Return on Reimbursement Rights excluding Interest Income	(4.30)	3.78
Actuarial changes arising from changes in demographic assumptions	6.90	(1.61)
Actuarial changes arising from changes in financial assumptions	(3.54)	(11.63)
Actuarial changes arising from changes in experience assumptions	4.09	7.28
Less: Amount Recovered from Associate and Joint Venture Companies	(0.46)	0.40
Closing Amount Recognised in OCI	2.69	(1.78)
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	144.99	153.00
Current Service Cost	19.66	19.26
Interest Cost	10.32	8.45
Actuarial (Gain)/Loss	7.06	(5.36)
Benefits Paid	(12.18)	(17.10)
Impact of Liabilities Assumed or (Settled)	1.88	(1.10)
Adjustment - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	(12.16)
Closing Defined Benefit Obligation	171.73	144.99
Change in Fair Value of the Reimbursement Rights:		
Opening Fair Value of the Reimbursement Rights	136.31	140.96
Interest Income on Reimbursement Rights	9.95	8.09
Actual Return on Reimbursement Rights less Interest on Reimbursement Rights	4.30	(3.78)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at/ For the Year ended 31 st March 2024	As at/ For the Year ended 31 st March 2023
Contributions by the Employer	21.64	15.36
Adjustment - on account of Conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture	-	(9.32)
Benefits Paid	(6.90)	(15.00)
Closing Fair Value of the Reimbursement Rights	165.29	136.31
Funding Arrangement and Policy		
The money contributed by the Group to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax Rules for such approved schemes.		
Maturity Profile of Defined Benefit Obligation		
Within the next 12 months (next annual reporting period)	20.28	18.10
More than 1 and upto 5 years	75.46	61.16
More than 5 and upto 10 years	72.30	66.45
Above 10 years	60.85	70.48
The weighted-average duration to the payment of these cash flows	4 Years to 11 Years	4 Years to 10 Years
Quantitative sensitivity analysis for significant assumption is as below:		
Increase/Decrease in the Present Value of Defined Benefit Obligation for the Year		
i) 50 bps Increase in Discount Rate	(3.51)%	(3.74)%
ii) 50 bps Decrease in Discount Rate	3.04%	3.11%
iii) 50 bps Increase in the Rate of Salary Escalation	3.18%	3.15%
iv) 50 bps Decrease in the Rate of Salary Escalation	(3.65)%	(3.82)%
Sensitivity Analysis Method		
These sensitivities have been calculated to show the movement in defined benefit obligation in isolation, and assuming there are no other changes in the market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.		
Disaggregation of the Reimbursement Rights		
Non-Quoted Value		
Government of India Securities	1.33%	2.02%
Corporate Bonds	0.32%	0.43%
Insurer Managed Funds	83.81%	81.30%
Others	14.54%	16.25%
	100%	100%
Fair Value of the Reimbursement Rights include:		
Group's own Financial Instruments	138.53	110.82
Principal Actuarial Assumptions at the Balance Sheet Date		
Discount Rate	7.15% - 7.21%	6.85% - 7.44%
Salary Escalation	7% - 10%	7% - 10%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

B. The details of the Group's Defined Benefit Plans in respect of Gratuity (Unfunded by the Group):

(₹ Crore)

Particulars	As at/ For the Year ended 31 st March 2024	As at/ For the Year ended 31 st March 2023
Amounts Recognised in the Balance Sheet in respect of Gratuity		
Present Value of the Unfunded Defined Benefit Obligation at the end of the year	0.91	0.97
Amounts Recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Service Cost (Unfunded)	0.15	0.20
Interest on Defined Benefit Obligation	0.07	0.07
Net Gratuity Cost	0.22	0.27
Amounts Recognised in Other Comprehensive Income ("OCI") for the Year		
Actuarial changes arising from changes in financial assumptions	0.01	(0.04)
Actuarial changes arising from changes in experience assumptions	(0.03)	0.18
	(0.02)	0.14
Change in Present Value of the Obligation:		
Opening Defined Benefit Obligation	0.97	1.08
Current Service Cost	0.15	0.20
Interest Cost	0.07	0.07
Actuarial changes arising from changes in financial assumptions	0.01	(0.04)
Actuarial changes arising from changes in experience assumptions	(0.03)	0.18
Actuarial (Gain)/Loss	(0.02)	0.14
Benefits Paid	(0.26)	(0.52)
Closing Defined Benefit Obligation	0.91	0.97
Maturity Profile of Defined Benefit Obligation		
Within the next 12 months (next annual reporting period)	0.01	0.01
More than 1 and upto 5 years	0.61	0.49
More than 5 and upto 10 years	0.01	0.06
Above 10 years	0.17	0.41
The weighted-average duration to the payment of these cash flows	5 Years	3 Years to 7 Years
Quantitative Sensitivity Analysis for Significant Assumption is as below:		
Increase/Decrease in Present Value of Defined Benefit Obligation at the end of the Year (in %)		
i) 50 bps Increase in Discount Rate	(3.30)%	(3.38)%
ii) 50 bps Decrease in Discount Rate	3.29%	3.62%
iii) 50 bps Increase in the Rate of Salary Escalation	3.29%	3.62%
iv) 50 bps Decrease in the Rate of Salary Escalation	(3.30)%	(3.41)%
Principal Actuarial Assumptions at the Balance Sheet Date		
Discount Rate	7.15%	7.30% - 7.40%
Salary Escalation	7.00% - 7.50%	6.50% - 7.00%
Estimated amount of contribution expected to be paid to the Gratuity Fund during the annual period after the Balance Sheet date is ₹ 19.69 Crore (31 st March 2023 ₹ 20.52 Crore).		



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

C. Defined Contribution Plan

(₹ Crore)

Particulars	For the Year ended 31 st March 2024	For the Year ended 31 st March 2023
Amount recognised as an expense and included in the Note: as "Contribution to Provident and Other Funds"	101.75	84.16
Contribution to the Company Provident Fund Trust	1.74	1.97
	103.49	86.13

NOTE: 47 DISCLOSURE UNDER EMPLOYEE STOCK OPTIONS SCHEME OF THE GROUP

(A) Aditya Birla Capital Limited

At the Annual General Meeting held on 19th July 2017, the shareholders of the Company approved the grant of not more than 3,22,86,062 Equity Shares by way of grant of Stock Options ("ESOPs") and Restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 2,40,62,864 ESOPs and 57,42,636 RSUs under the Scheme titled "Aditya Birla Capital Limited Employee Stock Options Scheme 2017" in 3 categories of Long-Term Incentive Plans ("LTIP"), identified as LTIP 1, LTIP 2, and LTIP 3. The Scheme allows the Grant of Stock Options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share.

Granted during the Financial Year - 2017-2018

Features	LTIP 1		LTIP 2		LTIP 3	
	RSU	ESOP	RSU	ESOP	RSU	ESOP
Plan Period	2017-2019	2017-2021	2017-2019	2017-2022		
Quantum of Grant	43,43,750	1,15,57,872	13,98,886	1,25,04,992		
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value		
Vesting Period	100% (2 years)	25% p.a. (4 years)	100% (2 years)	20% p.a. (5 years)		
Vesting Condition(s)	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets		
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting		
Grant Date	11.08.2017	11.08.2017	11.08.2017	11.08.2017		
Grant/Exercise Price (₹ Per Share)	10.0	115.0	10.0	115.0		
Value of Equity Shares as on the Date of Grant of Original Option (₹ Per Share)	139.0	139.0	139.0	139.0		

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2023-2024 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 3	LTIP 1	LTIP 3
Instrument	ESOP	RSU	PRSU
Plan Period	2023-2026	2023-2024	2023-2025
Quantum of Grant	20,07,180	1,14,962	6,45,669
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Period	50% vesting in first year and 50% in second year from the Date of Grant	100% vesting in one year from the Date of Grant	100% vesting in second year from the Date of Grant
Vesting Condition(s)	75% of annual planning and budget targets	Continued employment	60% of Cumulative planning and budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	02.08.2023	02.08.2023	02.08.2023
Grant/Exercise Price (₹ Per Share)	124.2	10.0	10.0

Granted during the Financial Year - 2022-2023 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 1	LTIP 1
Instrument	ESOP	RSU	RSU
Plan Period	2022-2025	2022-2023	2022-2023
Quantum of Grant	11,73,306	13,94,915	1,65,434
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Period	33.33% vesting over 3 years from the Date of Grant	100%, One year from the Date of Grant	100% vesting at the end of third year from the Date of Grant
Vesting Condition(s)	Continued employment	Continued employment	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	01.08.2022	01.08.2022	15.03.2023
Grant/Exercise Price (₹ Per Share)	106.4	10.0	10.0



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2021-2022 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2
Instrument	ESOP	ESOP
Plan Period	2021-2025	2021-2025
Quantum of Grant	2,69,352	1,40,352
Method of Accounting	Fair Value	Fair Value
Vesting Period	Equal vesting in 4 years from the Date of Grant	Equal vesting in 4 years from the Date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target immediately preceding the Date of Vesting	75% of the Profit Before Tax achievement against annual performance target immediately preceding the Date of Vesting
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	14.05.2021	30.09.2021
Grant/Exercise Price (₹ Per Share)	119.4	114.2

Granted during the Financial Year - 2020-2021 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 3
Instrument	ESOP	ESOP
Plan Period	2021-2022	2021-2022
Quantum of Grant	1,10,424	1,40,439
Method of Accounting	Fair Value	Fair Value
Vesting Period	One year from the Date of Grant	One year from the Date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	75% of the Profit Before Tax achievement against annual performance target
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	05.02.2021	05.02.2021
Grant/Exercise Price (₹ Per Share)	90.4	90.4

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2019-2020 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2	LTIP 3	LTIP 3	LTIP 2	LTIP 3
Instrument	ESOP	ESOP	ESOP	RSU	ESOP	RSU
Plan Period	2019-2023	2019-2023	2019-2024	2019-2021	2020-2024	2020-2023
Quantum of Grant	5,60,376	3,07,020	4,41,704	7,686	7,98,768	5,23,810
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	25% p.a. (4 years)	25% p.a. (4 years)	20% p.a. (5 years)	100% (2 years)	25% p.a. (4 years)	100% (3 years)
Vesting Condition(s)	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	02.08.2019	18.10.2019	18.10.2019	18.10.2019	25.02.2020	25.02.2020
Grant/Exercise Price (₹ Per Share)	82.4	76.4	76.4	10.0	87.1	10.0

Granted during the Financial Year - 2018-2019 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 3	LTIP 3
Instrument	ESOP	RSU
Plan Period	2018-2023	2018-2020
Quantum of Grant	16,23,834	3,00,000
Method of Accounting	Fair Value	Fair Value
Vesting Period	20% p.a.(5 years)	100% (2 years)
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	09.04.2018	09.04.2018
Grant/Exercise Price (₹ Per Share)	115.0	10.0



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Details of Activities in the Plan as at 31st March 2024

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	19,78,782	1,01,95,506	2,70,734	1,24,01,881
Granted during the year	1,14,962	-	6,45,669	20,07,180
Exercised during the year	1,48,050	32,41,794	-	29,26,310
Lapsed during the year	27,750	1,91,600	-	11,939
Options/RSUs Outstanding at the end of the year	19,17,944	67,62,112	9,16,403	1,14,70,812
Options/RSUs unvested at the end of the year	2,80,396	20,46,378	6,45,669	24,48,884
Options/RSUs exercisable at the end of the year	16,37,548	47,15,734	2,70,734	90,21,928

Details of Activities in the Plan as at 31st March 2023

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	6,24,723	96,42,838	8,72,906	1,31,80,030
Granted during the year	15,60,349	11,73,306	-	-
Exercised during the year	1,66,686	6,20,638	6,00,672	1,13,349
Lapsed during the year	39,604	-	1,500	6,64,800
Options/RSUs Outstanding at the end of the year	19,78,782	1,01,95,506	2,70,734	1,24,01,881
Options/RSUs unvested at the end of the year	15,60,349	39,34,225	2,40,734	49,85,023
Options/RSUs exercisable at the end of the year	4,18,433	62,61,281	30,000	74,16,858

Fair Valuation

The Fair Value of the options used to compute proforma Net Profit and Earnings Per Share has been done by an Independent Valuer on the date of grant using Black-Scholes-Merton Formula. The Key Assumptions and the Fair Value are as:

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Risk-Free Interest Rate	6.5% to 7.4%	6.2% to 7.0%	6.5% to 7.2%	6.5% to 7.6%
Option Life (Years)	3.5 to 5.5	3.5 to 6.5	4.5	3.5 to 7.5
Expected Volatility	38.5% to 41.8%	36.2% to 46.5%	35.4% to 41.6%	37.0% to 46.5%
Expected Dividend Yield (%)	-	-	-	-
Weighted-Average Fair Value per Option (₹)	98.5 to 188.4	41.5 to 119.4	131.6 to 189.1	73.1 to 119.9

Stock Option and Performance Stock Unit Scheme 2022

The shareholders of the Company, vide a special resolution passed through Postal Ballot on 16th October 2022, approved the Scheme titled "Aditya Birla Capital Limited Employee Stock Options and Performance Stock Unit Scheme 2022" ("ABCL Scheme 2022") for granting Employee Stock Options ("Options") and Employee Performance Stock Units ("PSUs") (collectively referred to as the, "Stock Options") exercisable into not more than 4,10,71,270 Equity Shares. ABCL Scheme 2022 allows the grant of Stock Options to employees of the Company, and its Group company(ies) including its Holding Company, Subsidiary Company(ies) and Associate Company(ies) (whether working in India or outside India) that meet the eligibility criteria. Each Stock Option confers a right upon the Grantee to apply for 1 (one) Equity Share. Out of these, the Nomination, Remuneration and Compensation Committee has granted 1,39,54,991 Options and 63,60,714 PSUs under ABCL Scheme 2022.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Granted during the Financial Year - 2022-2023 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Instrument	PSU	ESOP	PSU	ESOP
Plan Period	2022-2025	2022-2025	2022-2025	2022-2025
Quantum of Grant	59,53,984 3,01,081 1,05,649	1,27,75,439	8,51,231	3,28,321
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	100% vesting at the end of third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant
Vesting Condition(s)	Continued Employment and Rating of DFP and above in the year of vesting. 60% of Cumulative Aggregate PBT for 3 years	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets	Employees of ABCL: 75% of the consolidated PBT achievement against Annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	07.11.2022 02.02.2023 15.03.2023	07.11.2022	02.02.2023	15.03.2023
Grant/Exercise Price (₹ Per Share)	10.0	124.2	136.5	145.0



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Granted during Financial Year - 2023-2024 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 1	LTIP 2
Instrument	RSU	ESOP
Plan Period	2023-2027	2023-2027
Quantum of Grant	1,35,481	3,37,331
	1,59,291	3,26,435
	16,40,750	2,04,428
	10,35,219	10,68,855
Method of Accounting	Fair Value	Fair Value
Vesting Period	100% vesting at the end of third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant
Vesting Condition(s)	Continued Employment and Rating of DFP and above in the year of vesting. 60% of Cumulative Aggregate PBT for 3 years	Employees of ABCL: 75% of the consolidated PBT achievement against annual planning and budget targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual planning and budget targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	11.05.2023	11.05.2023
	02.08.2023	02.08.2023
	03.11.2023	03.11.2023
	01.02.2024	01.02.2024
Grant/Exercise Price (₹ Per Share)	10.0	170.9 - 196.1

Details of Activities in the Plan as at 31st March 2024

Instrument	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	63,60,714	1,39,54,991
Granted during the year	29,70,741	19,37,049
Exercised during the year	-	-
Lapsed during the year	5,17,747	10,99,102
Options/RSUs Outstanding at the end of the year	88,13,708	1,47,92,938
Options/RSUs invested at the end of the year	88,13,708	1,47,92,938
Options/RSUs exercisable at the end of the year	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Details of Activities in the Plan as on 31st March 2023

Instrument	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	-	-
Granted during the year	63,60,714	1,39,54,991
Exercised during the year	-	-
Lapsed during the year	-	-
Options/RSUs Outstanding at the end of the year	63,60,714	1,39,54,991
Options/RSUs unvested at the end of the year	63,60,714	1,39,54,991
Options/RSUs exercisable at the end of the year	-	-

Fair Valuation

The fair value of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes-Merton Formula. The key assumptions and the fair value are as:

Features	LTIP 1	LTIP 2
Instrument	RSU	ESOP
Risk-Free Interest Rate (%)	7.3% to 7.6%	7.3% to 7.6%
Option Life (Years)	5.5	4.5 to 5.5
Expected Volatility	40.4% to 41.8%	40.4% to 42.7%
Expected Dividend Yield (%)	-	-
Weighted-Average Fair Value Per Option (₹)	117.6 to 189.5	57.2 to 96.6

(B) Aditya Birla Sun Life Insurance Limited (“ABSLI”)

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

Features	LTIP 1
Instrument	ESOP
Plan Period	2024-2026
Method of Accounting	Fair Value
Vesting Period	100% (2 Years)
Graded Vesting Period	
1 st Year	50%
2 nd Year	50%
Vesting Condition(s)	Continued employment and rating of DFP and above in previous year of vesting/payout
Vesting Condition - Business	75% of unit P&B PBT
Exercise Period	5 years from the Date of Grant
Grant Date	1 st February 2024
Grant/Exercise Price (₹ Per Share)	63.00
Value of Equity Shares as on the Date of Grant of Original Option (₹ Per Share)	87.88



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Details of Activities in the Plan as on 31st March 2024

Features	LTIP 1
Instrument	ESOP
Options/RSUs Outstanding at the beginning of the Year	-
Granted during the Year	75,43,826
Exercised during the Year	-
Lapsed during the Year	-
Options/RSUs Outstanding at the end of the Year	75,43,826
Options/RSUs remaining unvested at the end of the Year	75,43,826
Options/RSUs exercisable at the end of the Year	-

(C) Aditya Birla Finance Limited ("ABFL")

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As at 31st March 2024

Grant Date	Exercise Price (₹)	Fair Value of Options (₹)	Options Granted	Options Vested and Exercisable	Options Unvested	Options Exercised	Options Lapsed	Options Outstanding
05-11-2022	283.20	131.90	21,78,706	-	21,78,706	-	2,03,886	19,74,820
31-01-2023	283.20	141.10	10,169	-	10,169	-	-	10,169
30-09-2023	354.70	150.80	90,715	-	90,715	-	-	90,715
01-11-2023	354.70	153.60	17,636	-	17,636	-	-	17,636
30-01-2024	354.70	138.60	18,726	-	18,726	-	-	18,726
Total			23,15,952		23,15,952		2,03,886	21,12,066

As at 31st March 2023

Grant Date	Exercise Price (₹)	Fair Value of Options (₹)	Options Granted	Options Vested and Exercisable	Options Unvested	Options Exercised	Options Lapsed	Options Outstanding
05-11-2022	283.20	131.90	21,78,706	-	21,78,706	-	89,786	20,88,920
31-01-2023	283.20	141.10	10,169	-	10,169	-	-	10,169
Total			21,88,875		21,88,875		89,786	20,99,089

Weighted average fair value of stock options granted during the year is as follows:

Particulars	31 st March 2024	31 st March 2023
No. of Options Granted	1,27,077	21,88,875
Weighted Average Fair Value (₹)	149.39	131.94

Following table depicts range of exercise prices and weighted average remaining contractual life:

As on 31st March 2024

For all Grants	No. of Options	Range of Exercise Prices (₹)	Weighted Average Exercise Price (₹)	Weighted Average Remaining Contractual Life (Years)
Outstanding at the beginning of the year	20,99,089	283.20	283.20	2.11
Granted during the year	1,27,077	354.70	354.70	2.06
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	1,14,100	-	-	-
Outstanding at the end of the year	21,12,066	283.20 - 354.70	287.12	1.16
Exercisable at the end of the year	-	-	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

As on 31st March 2023

For all Grants	No. of Options	Range of Exercise Prices (₹)	Weighted Average Exercise Price (₹)	Weighted Average Remaining Contractual Life (Years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,88,875	283.20	283.20	2.11
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	89,786	-	-	-
Outstanding at the end of the year	20,99,089	283.20	283.20	2.11
Exercisable at the end of the year	-	-	-	-

Method Used for Accounting for Share-Based Payment Plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black-Scholes Model. The key assumptions used in Black-Scholes Model for calculating fair value as on the date of respective grants are:

Grant Date	Life of Option (in Years)	Risk-Free Rate	Dividend Yield	Volatility
05-11-2022	4.10	7.50%	0.70	36.3%
31-01-2023	3.80	7.40%	0.70	37.3%
30-09-2023	3.30	7.30%	0.70	34.4%
01-11-2023	3.10	7.50%	0.70	27.8%
30-01-2024	2.90	7.16%	0.80	26.0%

Weighted average fair value of share options outstanding as on 31st March 2024 is ₹ 320.59 per share

Characteristics of ESOPs Issued:

Grant Date	05-Nov-22	31-Jan-23	30-Sep-23	01-Nov-23	31-Jan-24
Conversion	On exercise, 1 ESOP converts to 1 Equity Share of ABFL	On exercise, 1 ESOP converts to 1 Equity Share of ABFL	On exercise, 1 ESOP converts to 1 Equity Share of ABFL	On exercise, 1 ESOP converts to 1 Equity Share of ABFL	On exercise, 1 ESOP converts to 1 Equity Share of ABFL
Vesting Date*	50% each at the end of 2 nd and 3 rd year from the Grant Date	50% each at the end of 2 nd and 3 rd year from the Grant Date	50% each at the end of 2 nd and 3 rd year from the Grant Date	50% each at the end of 2 nd and 3 rd year from the Grant Date	50% each at the end of 2 nd and 3 rd year from the Grant Date
Additional Condition	ESOPs can be exercised only once Equity Share of ABFL are listed on stock exchange	ESOPs can be exercised only once Equity Share of ABFL are listed on stock exchange	ESOPs can be exercised only once Equity Share of ABFL are listed on stock exchange	ESOPs can be exercised only once Equity Share of ABFL are listed on stock exchange	ESOPs can be exercised only once Equity Share of ABFL are listed on stock exchange
Exercise Price (in ₹) per ESOP	283.20	283.20	354.70	354.70	354.70
Exercise Period*	5 years from the Date of Vesting	5 years from the date of 1 st grant i.e. 5 th November 2022	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Settlement	Settlement in Equity Shares of ABFL				

* Exercise period as per management's assessment



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

D) Aditya Birla Housing Finance Limited ("ABHFL")

Features of the ESOPs Granted by ABHFL

Grant Date	21-Oct-22	27-Jan-23	27-Apr-23	27-Jul-23	26-Oct-23
Conversion	On exercise, 1 ESOP converts to 1 Equity Share of ABHFL	On exercise, 1 ESOP converts to 1 Equity Share of ABHFL	On exercise, 1 ESOP converts to 1 Equity Share of ABHFL	On exercise, 1 ESOP converts to 1 Equity Share of ABHFL	On exercise, 1 ESOP converts to 1 Equity Share of ABHFL
Vesting Date	At the end of 3 rd year from the Grant Date	At the end of 3 rd year from the Grant Date	At the end of 3 rd year from the Grant Date	At the end of 3 rd year from the Grant Date	At the end of 3 rd year from the Grant Date
Exercise Period	5 years from the Grant Date				
Exercise Price (in ₹) Per ESOP	37.20	37.20	42.50	42.50	42.50
Settlement	Settlement in Equity Shares of ABHFL				

Grant Date	Exercise Price (₹)	Options Granted
26-10-2023	42.50	33,667
27-07-2023	42.50	1,60,203
27-04-2023	42.50	53,544
27-01-2023	37.20	1,83,379
21-10-2022	37.20	15,49,598
Total		19,80,391

Details of Activities in the Plan as on 31st March 2024

Instrument	ESOP
Options/RSUs Outstanding at the beginning of the year	17,32,977
Granted during the year	2,47,414
Exercised during the year	-
Cancelled/Lapsed during the year	1,31,829
Options/RSUs Outstanding at the end of the year	18,48,562
Options/RSUs remaining unvested at the end of the year	18,48,562
Options/RSUs exercisable at the end of the year	-

Weighted Average Fair Value of Options as follows:

Particulars	Year ended 31 st March 2024			Year ended 31 st March 2023	
	27-04-2023	27-07-2023	26-10-2023	21-10-2022	27-01-2023
No. of Options Granted	53,544	1,60,203	33,667	15,49,598	1,83,379
Weighted Average Fair Value	42.50	42.50	42.50	34.60	36.50

(E) Aditya Birla Money Limited ("ABML")

Stock Options granted under ABML – Employee Stock Option Scheme – 2014

The objective of the Employee Stock Options Scheme is to attract and retain talent, and align the interest of employees with Aditya Birla Money Limited ("ABML"), as well as to motivate them to contribute to its growth and profitability. The Company adopts Senior Executive Plan in granting Stock Options to its Senior Employees. (Employee Stock Option Scheme - 2014)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

During 2014, the Company had formulated the ABML Employee Stock Option Scheme-2014 ("ABML ESOP Scheme-2014") with the approval of the shareholders at the Annual General Meeting dated 9th September 2014. The Scheme provides that the total number of options granted thereunder will be 27,70,000 and to follow the Market Value Method (Intrinsic Value) for valuation of the Options. Each option, on exercise, is convertible into one Equity Share of the Company having face value of ₹ 1 each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on 2nd December 2014 has granted 25,09,341 Stock Options to its eligible employees under the ABML ESOP Scheme-2014 at an exercise price of ₹ 34.25. The Exercise Price was based on the latest available closing price, prior to the 2nd December 2014 (the date of grant by the Nomination and Remuneration Committee) on the recognised stock exchanges on which the shares of the Company are listed with the highest trading volume.

Summary of Stock Options Granted under ABML ESOP Scheme-2014 is as under	As at/Year ended 31 st March 2024
Options Granted on 2 nd December 2015	25,09,341
Options Outstanding as on 1 st April 2023	53,845
No. of Options Granted during the year	Nil
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise Period	Within 5 years from the Date of Vesting of respective options
Grant/Exercise Price (₹ Per Share)	34.25
Market Price as on the Date of the Grant (₹ Per Share)	34.25 (previous day closing price on the Recognised Stock Exchange)
Options Reinstated during the year	59,892
Options Forfeited/Lapsed during the Year	57,418
Options Exercised during the Year	56,319
Options Outstanding as at 31 st March 2024	Nil

Summary of Stock Options granted under ABML ESOP Scheme-2014 is as under	As at/Year ended 31 st March 2023
Options Granted on 2 nd December 2015	25,09,341
Options Outstanding as on 1 st April 2022	1,31,729
No. of Options Granted during the year	Nil
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise Period	Within 5 years from the Date of Vesting of respective options
Grant/Exercise Price (₹ Per Share)	34.25
Market Price as on the Date of Grant (₹ Per Share)	34.25 (previous day closing price on the Recognised Stock Exchange)
Options Forfeited/Lapsed during the year	Nil
Options Exercised during the year	77,884
Options Outstanding as at 31 st March 2023	53,845



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The Vesting Period in respect of the Options Granted under ABML ESOP Scheme – 2014 is as follows:

Sr. No	Vesting Date	% of Options that shall vest
1	12 months from the Date of Grant	25% of the Grant
2	24 months from the Date of Grant	25% of the Grant
3	36 months from the Date of Grant	25% of the Grant
4	48 months from the Date of Grant	25% of the Grant

ABML has granted options to the eligible employees at an exercise price of ₹ 34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the ABML is not required to account the accounting value of option as per SEBI ESOP Regulations.

The Key Assumptions are as under:

Risk-Free Interest Rate (%)	8.13%
Expected Life (No. of Years)	5 years
Expected Volatility (%)	54.26%
Dividend Yield	-
Weighted-Average Fair Value Per Option	₹ 34.25

ABCL INCENTIVE PLAN 2017

The Scheme titled as “ABCL Incentive Scheme for Stock Options and Restricted Stock Units–2017 (“ABCL Incentive Scheme”)” was approved by the shareholders through postal ballot on 10th April 2017. The Nomination, Remuneration and Compensation Committee of the Company at its meeting held on 15th January 2018, granted 14,65,927 ESOPs and 2,52,310 Restricted Stock Units (“RSUs”) (collectively called as “Stock Options”) to the eligible grantees pursuant to the Composite Scheme of Arrangement between erstwhile Aditya Birla Nuvo Limited (now merged with Grasim Industries Limited), Grasim Industries Limited and Aditya Birla Capital Limited. The Stock Options allotted under the Scheme are convertible into equal number of Equity Shares.

The vesting conditions and the vesting dates under the ABCL Incentive Scheme shall follow the same vesting conditions, as applicable, to the Grantees under the corresponding Grasim Employee Benefit Schemes 2006 and 2013.

Particulars	ABCL Incentive Scheme	
	Options	RSUs
Plan Period	As per Grasim Employee Benefits Schemes 2006 and 2013.	
Quantum of Grant	14,65,927	2,52,310
Method of Accounting	Fair Value	Fair Value
Vesting Period	The Options and RSUs shall deemed to have been vested from the original date of grant under the Grasim ESOP Schemes 2006 and 2013, and shall be subject to a minimum vesting period of one year from the date of original grant and would vest not earlier than one year and not later than five years from the date of grant of Options and RSUs or such other period as may be determined by the Nomination, Remuneration and Compensation Committee.	
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target	
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	15 th January 2018	15 th January 2018
Grant/Exercise Price (₹ Per Share)	10.0	10.0

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Re-granted during the Financial Year - 2020-2021 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Particulars	Options
Plan Period	2021-2022
Quantum of Grant	25,585
Method of Accounting	Fair Value
Vesting Period	One year from the Date of Grant
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target
Exercise Period	5 years from the Date of Vesting
Grant Date	05.03.2021
Grant/Exercise Price (₹ Per Share)	10.0

Details of Activities in the Plan

Particulars	ABCL Incentive Scheme			
	31 st March 2024		31 st March 2023	
	Options	RSUs	Options	RSUs
Options/RSUs Outstanding at the beginning of the year	15,324	3,418	1,96,035	3,418
Granted during the year	-	-	-	-
Exercised during the year	-	-	1,80,711	-
Lapsed during the year	-	-	-	-
Options/RSUs Outstanding at the end of the year	15,324	3,418	15,324	3,418

NOTE: 48 SEGMENT DISCLOSURES

Operating segments are defined as components of an enterprises for which discrete financial information is available, and evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance.

The Group has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

Segment	Activities
NBFC	Non-Bank Financial Services
Housing Finance	Housing Finance
Life Insurance	Life Insurance
Asset Management	Asset Management
General Insurance Broking	Insurance Broking
Stock and Securities Broking	Equity and Commodity Broking
Health Insurance	Health Insurance and Ancillary Services
Other Financial Services	Insurance Advisory, Asset Reconstruction, Direct to Customer (D2C) platform, etc.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Information about Business Segments

(₹ Crore)

Segment Revenue	For the Year ended 31 st March 2024			For the Year ended 31 st March 2023		
	External	Inter-Segment	Total	External	Inter-Segment	Total
NBFC	12,654.36	47.86	12,702.22	8,226.41	10.46	8,236.87
Housing Finance	1,794.25	40.35	1,834.60	1,401.80	3.45	1,405.25
Life Insurance	18,214.99	39.10	18,254.09	15,433.07	5.94	15,439.01
Asset Management	1,634.10	-	1,634.10	1,348.32	0.81	1,349.13
General Insurance Broking	563.32	1.38	564.70	614.94	3.05	617.99
Stock and Securities Broking	392.89	1.48	394.37	265.84	0.92	266.76
Health Insurance	3,458.28	0.90	3,459.18	2,562.09	0.79	2,562.88
Other Financial Services	824.10	65.97	890.07	146.41	34.37	180.78
Segment Revenue	39,536.29	197.04	39,733.33	29,998.88	59.79	30,058.67
Less: Inter-Segment Revenue			(197.04)			(59.79)
Total Segment Revenue from Operations			39,536.29			29,998.88
Less: Revenue of Associate and Joint Venture Entities, profits of which are equity accounted under the Ind AS framework			(5,095.30)			(2,616.58)
Add: Elimination of Intra-Group revenue from transactions with Associate and Joint Venture Entities			64.55			33.35
Total Revenue from Operations			34,505.54			27,415.65

(₹ Crore)

Segment Results (Profit Before Tax)	For the Year ended 31 st March 2024	For the Year ended 31 st March 2023
NBFC	2,987.07	2,090.18
Housing Finance	376.46	308.53
Life Insurance	197.61	196.45
Asset Management	1,008.15	793.86
General Insurance Broking	67.43	97.26
Stock and Securities Broking	68.93	46.68
Health Insurance	(186.99)	(218.01)
Other Financial Services	581.33	2,786.92
Total Segmental Results	5,099.99	6,101.87
Less: Share of Associate and Joint Venture Partners (not included in Share of Profits of the Group) in Associate and Joint Venture Entities	(517.63)	(466.64)
Profit Before Tax	4,582.36	5,635.23

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Other Information	Carrying Amount of Segment Assets (including Goodwill) As at		Carrying Amount of Segment Liabilities As at	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Segments				
NBFC	1,10,778.95	83,629.25	95,711.67	72,559.97
Housing Finance	18,408.44	13,999.21	16,201.49	12,104.15
Life Insurance	92,571.05	75,133.88	88,766.98	71,925.30
Asset Management	3,484.16	2,742.79	268.14	222.35
General Insurance Broking	325.15	255.70	170.81	154.75
Stock and Securities Broking	2,278.91	1,531.89	1,953.40	1,254.24
Health Insurance	3,888.84	3,394.08	2,836.54	2,173.39
Other Financial Services	3,622.15	1,445.07	782.32	600.01
Total Segment	2,35,357.65	1,82,131.87	2,06,691.35	1,60,994.16
Inter-Segment Elimination	(973.89)	(273.19)	(973.89)	(273.19)
Add: Unallocated Corporate Liabilities	658.01	742.37	858.97	622.12
Total Segment Assets/Liabilities	2,35,041.77	1,82,601.05	2,06,576.43	1,61,343.09
Less: Assets/Liabilities of Associate and Joint Venture Entities, which are equity accounted under the Ind AS framework	(7,395.46)	(6,172.45)	(3,169.81)	(2,430.74)
Add: Elimination of Intra-Group Assets/Liabilities from transactions with Associate and Joint Venture Entities	57.43	21.63	57.43	21.63
Add: Investments in Associate and Joint Venture Entities, which are equity accounted under the Ind AS framework #	4,398.09	4,303.82	-	-
Total Assets/Liabilities	2,32,101.83	1,80,754.05	2,03,464.05	1,58,933.98

Includes the impact of transaction referred to in Note No. 58

(₹ Crore)

Other Information	Depreciation and Amortisation for the Year ended	
	31 st March 2024	31 st March 2023
Segments		
NBFC	120.36	86.13
Housing Finance	25.70	15.88
Life Insurance	97.73	83.35
Asset Management	34.60	34.33
General Insurance Broking	5.46	7.15
Stock and Securities Broking	8.23	6.66
Health Insurance	58.72	49.74
Other Financial Services	33.96	28.87
Total Segment	384.76	312.10
Less: Depreciation of Associate and Joint Venture Entities	34.60	38.04
Less: Depreciation of Life Insurance Policyholders' Business	97.62	83.21
Less: Depreciation of Health Insurance Policyholders' Business	58.72	46.02
Total Depreciation and Amortisation	193.82	144.83



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Other Information	Interest Income for the Year ended		Interest Expenses for the Year ended	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
NBFC	12,044.48	7,806.04	6,468.22	3,857.18
Housing Finance	1,717.99	1,363.98	1,014.23	748.37
Life Insurance	3,178.17	2,470.81	62.02	48.11
Asset Management	19.05	15.33	5.63	3.90
General Insurance Broking	1.94	5.51	0.38	0.71
Stock and Securities Broking	165.08	103.10	92.22	49.57
Health Insurance	199.39	143.91	1.92	2.14
Other Financial Services	117.87	46.55	39.44	42.90
Sub Total	17,443.97	11,955.23	7,684.06	4,752.88
Less: Inter-Segment Elimination	(44.59)	(14.03)	(44.58)	(14.03)
Interest Income/Expenses	17,399.38	11,941.20	7,639.48	4,738.85
Less: Interest Income/Expenses of Associate and Joint Venture Companies	19.05	38.32	5.63	3.90
Less: Interest Income/Expenses of Life Insurance Policyholders' Business	2,890.36	2,233.57	14.68	10.81
Less: Interest Income/Expenses of Health Insurance Policyholders' Business	199.39	106.15	1.92	2.14
Total Interest Income/Expenses	14,290.58	9,563.16	7,617.25	4,722.00

(₹ Crore)

Impairment on Financial Instruments including Loss on Derecognition of Financial Assets at Amortised Cost (Expected Credit Loss)	For the Year ended 31 st March 2024	For the Year ended 31 st March 2023
NBFC	1,352.43	903.48
Housing Finance	2.81	72.36
Life Insurance	0.91	2.37
General Insurance Broking	(0.31)	1.13
Stock and Securities Broking	0.89	0.46
Other Financial Services	(3.53)	3.66
Total	1,353.20	983.46
Less: Impairment of Life Insurance Policyholders' Business	0.91	2.37
Grand Total	1,352.29	981.09

Information about Geographical Segments

(₹ Crore)

Particulars	For the Year ended	
	31 st March 2024	31 st March 2023
Revenue by Geographical Market		
In India	39,513.29	29,977.51
Outside India	23.00	21.37
Total	39,536.29	29,998.88

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 49 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013, FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(₹ Crore)

Name of the Entity	Net Assets*		Share in Profit and Loss		Share in Other Comprehensive Income ("OCI")		Share in Total Comprehensive Income ("TCI")	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated TCI	Amount
HOLDING COMPANY								
Aditya Birla Capital Limited	51.98	13,938.58	21.42	714.28	(0.62)	(0.13)	21.28	714.15
SUBSIDIARY COMPANIES								
Aditya Birla Finance Limited	56.84	15,243.53	66.59	2,220.86	(68.62)	(14.37)	65.75	2,206.49
Aditya Birla Housing Finance Limited	8.43	2,259.80	8.72	290.69	0.10	0.02	8.66	290.71
Aditya Birla Sun Life Insurance Company Limited	12.89	3,456.28	4.19	139.88	345.08	72.26	6.32	212.14
Aditya Birla Money Limited	0.61	162.71	1.59	52.97	1.81	0.38	1.59	53.35
Aditya Birla Insurance Brokers Limited	0.72	193.72	1.52	50.61	3.06	0.64	1.53	51.25
Aditya Birla ARC Limited (Consolidated)	1.00	267.08	2.79	93.20	(0.05)	(0.01)	2.78	93.19
Aditya Birla Stressed Asset AMC Private Limited	0.14	38.70	0.21	6.94	0.05	0.01	0.21	6.95
Aditya Birla Special Situation Fund I	0.05	13.78	1.12	37.22	-	-	1.11	37.22
Aditya Birla Capital Digital Limited	0.22	59.83	(5.23)	(174.48)	1.91	0.40	(5.19)	(174.08)
Aditya Birla Money Mart Limited	0.36	95.68	0.06	2.00	(0.14)	(0.03)	0.06	1.97
Aditya Birla Money Insurance Advisory Services Limited	0.14	36.77	0.67	22.37	0.05	0.01	0.67	22.38
Aditya Birla Sun Life Pension Management Limited	0.22	58.56	(0.24)	(8.07)	(0.29)	(0.06)	(0.24)	(8.13)
Aditya Birla Financial Shared Services Limited	0.01	3.44	0.04	1.34	-	-	0.04	1.34
Aditya Birla PE Advisors Private Limited	0.02	4.42	0.01	0.19	-	-	0.01	0.19
Aditya Birla Capital Technology Services Limited	(0.14)	(37.93)	(0.02)	(0.51)	0.05	0.01	(0.01)	(0.50)
Aditya Birla Trustee Company Private Limited	0.00	0.45	0.00	0.02	-	-	0.00	0.02
ASSOCIATES AND JOINT VENTURES								
Aditya Birla Sun Life Asset Management (Consolidated, including Foreign Subsidiaries)	5.33	1,430.44	11.66	389.02	(0.92)	(0.19)	11.59	388.83
Aditya Birla Health Insurance Co. Limited	11.03	2,957.64	(2.50)	(83.48)	33.31	6.97	(2.28)	(76.51)
Aditya Birla Wellness Private Limited	0.03	9.14	(0.08)	(2.62)	(0.14)	(0.03)	(0.08)	(2.65)
Aditya Birla Sun Life Trustee Private Limited	0.00	0.87	0.00	0.14	-	-	0.00	0.14
Eliminations/Consolidation Adjustments	(49.88)	(13,376.23)	(12.52)	(417.59)	(214.63)	(44.94)	(13.78)	(462.53)
Total	100.00	26,817.26	100.00	3,334.98	100.00	20.94	100.00	3,355.92

Notes:

* Net Assets = Total Assets - Total Liabilities - Non-Controlling Interests



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013, FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

(₹ Crore)

Name of the Entity	Net Assets*		Share in Profit and Loss		Share in Other Comprehensive Income ("OCI")		Share in Total Comprehensive Income ("TCI")	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated TCI	Amount
HOLDING COMPANY								
Aditya Birla Capital Limited	49.72	10,097.94	2.95	141.29	0.99	(0.40)	2.96	140.89
SUBSIDIARY COMPANIES								
Aditya Birla Finance Limited	56.26	11,426.21	32.40	1,553.76	(17.80)	7.20	32.83	1,560.96
Aditya Birla Housing Finance Limited	9.69	1,968.00	5.02	240.93	(13.40)	5.42	5.18	246.35
Aditya Birla Sun Life Insurance Company Limited	14.25	2,894.41	2.80	134.41	203.12	(82.14)	1.10	52.27
Aditya Birla Money Limited	0.54	109.17	0.71	33.90	(1.41)	0.57	0.72	34.47
Aditya Birla Insurance Brokers Limited	0.70	142.47	1.51	72.58	(0.54)	0.22	1.53	72.80
Aditya Birla ARC Limited (Consolidated)	0.86	173.89	0.55	26.46	(0.47)	0.19	0.56	26.65
Aditya Birla Stressed Asset AMC Private Limited	0.16	31.74	0.16	7.73	(0.07)	0.03	0.16	7.76
Aditya Birla Special Situation Fund I	1.29	262.98	0.78	37.60	-	-	0.79	37.60
Aditya Birla Capital Digital Limited (w.e.f. 23 rd March 2023)	0.03	5.91	(0.40)	(19.09)	-	-	(0.40)	(19.09)
Aditya Birla Money Mart Limited	0.46	93.71	(0.17)	(8.11)	-	-	(0.17)	(8.11)
Aditya Birla Money Insurance Advisory Services Limited	0.07	14.39	0.10	4.91	(0.05)	0.02	0.10	4.93
Aditya Birla Sun Life Pension Management Limited	0.27	54.69	(0.12)	(5.73)	(0.07)	0.03	(0.12)	(5.70)
Aditya Birla Financial Shared Services Limited	0.01	2.10	0.01	0.36	-	-	0.01	0.36
Aditya Birla PE Advisors Private Limited	0.02	4.23	0.00	0.09	-	-	0.00	0.09
Aditya Birla Capital Technology Services Limited	(0.18)	(37.43)	0.00	0.12	0.40	(0.16)	(0.00)	(0.04)
Aditya Birla Trustee Company Private Limited	0.00	0.43	-	-	-	-	-	-
Aditya Birla Health Insurance Co. Limited (upto 20 th October 2022)	-	-	(3.40)	(163.21)	110.41	(44.65)	(4.37)	(207.86)
ASSOCIATES AND JOINT VENTURES								
Aditya Birla Sun Life Asset Management (Consolidated, including Foreign Subsidiaries)	6.20	1,258.63	6.22	298.25	(6.79)	2.75	6.33	300.99
Aditya Birla Health Insurance Co. Limited (w.e.f. 21 st October 2022)	14.93	3,032.67	(0.54)	(26.06)	(14.96)	6.05	(0.42)	(20.01)
Aditya Birla Wellness Private Limited	0.06	11.79	0.02	1.01	(0.15)	0.06	0.02	1.07
Aditya Birla Sun Life Trustee Private Limited	0.00	0.73	0.00	0.06	-	-	0.00	0.06
Eliminations/Consolidation Adjustments	(55.33)	(11,237.91)	51.39	2,464.51	(159.19)	64.38	53.18	2,528.88
Total	100.00	20,310.75	100.00	4,795.77	100.00	(40.44)	100.00	4,755.33

Notes:

* Net Assets = Total Assets - Total Liabilities - Non-Controlling Interests

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 50 MATERIAL PARTLY OWNED SUBSIDIARIES

(1) Financial Information of Subsidiaries that have material Non-Controlling Interest is provided below

(A) Aditya Birla Sun Life Insurance Company Limited

Name of the Entity	Principal Place of Business	Proportion of Ownership Interest	
		As at 31 st March 2024	As at 31 st March 2023
Aditya Birla Sun Life Insurance Company Limited including Aditya Birla Sun Life Pension Management Limited (100% Subsidiary of Aditya Birla Sun Life Insurance Company Limited)	India	51.00%	51.00%

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Proportion of Interest Held by Non-Controlling Entity	49.00%	49.00%
Accumulated Balances of Non-Controlling Interest	1,680.62	1,409.29
Summarised Financial Information for Balance Sheet		
Current Assets	7,760.60	6,611.60
Non-Current Assets	84,509.31	68,219.12
Current Liabilities	5,372.32	4,335.54
Non-Current Liabilities	83,467.75	67,619.08

(₹ Crore)

Particulars	For the year ended 31 st March 2024	For the year ended 31 st March 2023
Profit/(Loss) Allocated to Non-Controlling Interest	64.59	63.05
Summarised Financial Information for the Statement of Profit and Loss		
Revenue from Operations	18,249.44	15,436.32
Profit for the Year	131.81	128.68
Other Comprehensive Income	72.20	(82.10)
Total Comprehensive Income	204.01	46.58
Summarised Financial Information for Cash Flows		
Cash Flows from Operating Activities	5,429.93	5,890.85
Cash Flows from Investing Activities	(5,987.00)	(5,843.55)
Cash Flows from Financing Activities	540.11	205.71
Net Increase/(Decrease) in Cash and Cash Equivalents	(16.96)	253.01

(B) Aditya Birla Insurance Brokers Limited

Name of the Entity	Principal Place of Business	Proportion of Ownership Interest	
		As at 31 st March 2024	As at 31 st March 2023
Aditya Birla Insurance Brokers Limited	India	50.002%	50.002%



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Proportion of Interest Held by Non-Controlling Entity	49.998%	49.998%
Accumulated Balances of Non-Controlling Interest	96.85	71.23
Summarised Financial Information for Balance Sheet		
Current Assets	299.97	223.57
Non-Current Assets	64.56	73.64
Current Liabilities	156.57	138.91
Non-Current Liabilities	14.24	15.84

Particulars	(₹ Crore)	
	For the year ended 31 st March 2024	For the year ended 31 st March 2023
Profit/(Loss) Allocated to Non-Controlling Interest	25.30	36.29
Dividend Paid to Non-Controlling Interest	-	30.01
Summarised Financial Information for the Statement of Profit and Loss		
Revenue from Operations	551.07	607.14
Profit for the Year	50.61	72.58
Other Comprehensive Income	0.64	0.22
Total Comprehensive Income	51.25	72.80
Summarised Financial Information for Cash Flows		
Cash Flows from Operating Activities	17.91	129.83
Cash Flows from Investing Activities	(0.97)	(66.43)
Cash Flows from Financing Activities	(2.60)	(64.09)
Net Increase/(Decrease) in Cash and Cash Equivalents	14.34	(0.69)

(C) Aditya Birla Money Limited

Name of the Entity	Principal Place of Business	Proportion of Ownership Interest	
		As at 31 st March 2024	As at 31 st March 2023
Aditya Birla Money Limited	India	73.53%	73.60%

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Proportion of Interest Held by Non-Controlling Entities	26.47%	26.40%
Accumulated Balances of Non-Controlling Interests	43.04	28.79
Summarised Financial Information for Balance Sheet		
Current Assets	1,712.87	888.10
Non-Current Assets	403.24	475.32
Current Liabilities	1,789.58	1,131.91
Non-Current Liabilities	163.82	122.34

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	For the Year ended 31 st March 2024	For the Year ended 31 st March 2023
Profit/(Loss) Allocated to Non-Controlling Interests	14.02	8.93
Dividend Paid to Non-Controlling Interests	-	-
Summarised Financial Information for the Statement of Profit and Loss		
Revenue from Operations	390.19	262.96
Profit for the Year	52.97	33.90
Other Comprehensive Income	0.38	0.57
Total Comprehensive Income	53.35	34.47
Summarised Financial Information for Cash Flows		
Cash Flows from Operating Activities	(443.78)	(76.51)
Cash Flows from Investing Activities	(4.10)	(3.76)
Cash Flows from Financing Activities	402.50	106.05
Net Increase/(Decrease) in Cash and Cash Equivalents	(45.38)	25.78

NOTE: 51 INTEREST IN JOINT VENTURES AND ASSOCIATES

(1) Below is the Associate Company of the Group which, in the opinion of the Management, is material to the Group, and has been accounted as per Equity Method of Accounting.

Name of the Entity	Principal Place of Business	Proportion of Ownership Interest		Quoted Fair Value (₹ per share)	
		As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Aditya Birla Sun Life AMC Limited	India	45.14%	50.01%	455.00	311.20

Aditya Birla Sun Life AMC Limited ("ABSLAMC") was incorporated on 5th September 1994.

The Company is registered with Securities and Exchange Board of India ("SEBI") under the SEBI (Mutual Funds) Regulations, 1996, and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company manages the investment portfolios of Aditya Birla Sun Life Mutual Fund, India Advantage Fund Ltd., Mauritius, India Excel (Mauritius) Fund and Aditya Birla Real Estate Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993, and provides portfolio management services and investment advisory services to offshore funds and high net worth investors. Aditya Birla Sun Life AMC Limited has set up two Alternate Investment Funds ("AIF"), one under Category III and the other under Category II with Securities Exchange Board of India ("SEBI") under the SEBI AIF Regulations, 2012. Aditya Birla Sun Life AMC Limited has been appointed as an Investment Manager of the said AIF by the Trustee to the Fund.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(A) Summarised Financial Information of Material Associate Company

i) Summarised Balance Sheet

Aditya Birla Sun Life AMC Limited

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Current Assets		
Cash and Cash Equivalents	39.10	33.61
Other Assets	2,061.56	1,757.15
Total Current Assets	2,100.66	1,790.76
Total Non-Current Assets	1,401.19	997.37
Current Liabilities		
Financial Liabilities (excluding Trade Payables)	86.03	63.19
Other Liabilities	125.22	135.13
Total Current Liabilities	211.25	198.32
Non-Current Liabilities		
Financial Liabilities (excluding Trade Payables)	59.76	35.43
Other Liabilities	61.96	37.39
Total Non-Current Liabilities	121.72	72.82
Net Assets	3,168.88	2,516.99
Group Share in % - Refer Note No. 63(3)	45.14%	50.01%
Group Share in ₹	1,430.44	1,258.75
Carrying Amount	1,430.44	1,258.75

ii) Summarised Statement of Profit and Loss

Aditya Birla Sun Life AMC Limited

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Revenue from Operations	1,353.19	1,226.61
Depreciation and Amortisation Expense	34.60	34.33
Income Tax Expenses	227.79	197.48
Profit for the Year	780.36	596.38
Group Share	389.02	298.25
Other Comprehensive Income	(0.40)	5.49
Group Share	(0.19)	2.75
Total Comprehensive Income	779.96	601.87
Group Share	388.83	301.00
Dividend Received	75.62	156.27

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(B) Commitments and Contingent Liabilities in respect of Associate Company

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Group Share in Commitments in respect of Associate Companies not being included in Note No. 41	6.70	8.36
Group Share in Contingent Liabilities in respect of Associate Companies not being included in Note No. 40	7.22	96.19

(2) Below is the Joint Venture Company of the Group which, in the opinion of the Management, is material to the Group which has been accounted as per Equity Method of Accounting.

Name of the Entity	Principal Place of Business	Proportion of Ownership Interest		Quoted Fair Value (₹ Per Share)	
		As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Aditya Birla Health Insurance Co. Limited*	India	45.89%	45.91%	#	#

* Accounted as Joint Venture w.e.f. 21st October 2022

Unlisted Equity - No quoted price available

Aditya Birla Health Insurance Co. Limited ("the Company") was incorporated on 22nd April 2015 as a Company under the Companies Act, 2013. The Company is registered with the Insurance Regulatory and Development Authority of India ("IRDAI") for conducting health insurance business, under Section 3 of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015.

(A) Summarised Financial Information of Material Joint Venture Company

(i) Summarised Balance Sheet

Aditya Birla Health Insurance Co. Limited ("ABHI")

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Current Assets		
Cash and Cash Equivalents	145.49	16.95
Other Assets	646.71	719.02
Total Current Assets	792.20	735.97
Total Non-Current Assets	3,074.67	2,628.68
Current Liabilities		
Financial Liabilities (excluding Trade Payables)	306.90	188.59
Other Liabilities	2,499.81	1,946.41
Total Current Liabilities	2,806.71	2,135.00
Non-Current Liabilities		
Financial Liabilities (excluding Trade Payables)	12.92	22.00
Other Liabilities	10.07	7.47
Total Non-Current Liabilities	22.99	29.47
Net Assets	1,037.17	1,200.18
Group Share in %	45.89%	45.91%
Group Share in ABHI #	2,957.64	3,032.67
Carrying Amount #	2,957.64	3,032.67

Includes the impact of transaction referred to in Note No. 58



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(ii) Summarised Statement of Profit and Loss

Aditya Birla Health Insurance Co. Limited*

(₹ Crore)

Particulars	Year ended	For Period between
	31 st March 2024	21 st October 2022 and 31 st March 2023
Interest Income	199.39	79.61
Revenue from Operations	3,450.43	1,251.30
Interest Expense	1.92	1.06
Depreciation and Amortisation Expense	55.35	21.70
Income Tax Expenses	-	-
Profit/(Loss) for the Year	(181.85)	(56.77)
Group Share	(83.48)	(26.06)
Other Comprehensive Income	15.20	13.20
Group Share	6.97	6.06
Total Comprehensive Income	(166.65)	(43.57)
Group Share	(76.51)	(20.00)

* Aditya Birla Health Insurance Co. Limited is accounted as Joint Venture w.e.f. 21st October 2022. Refer Note No. 58

(B) Commitments and Contingent Liabilities in respect of Joint Venture Company

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Group Share in Commitments in respect of Joint Venture Company not being included in Note No. 41	12.20	10.53
Group Share in Contingent Liabilities in respect of Joint Venture Company not being included in Note No. 40	14.49	5.74

(3) Individually Immaterial Joint Venture Companies

The Group also has interest in number of individually immaterial Joint Ventures that are accounted for using Equity Method of Accounting. Below is the combined financial information with respect to those entities

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Aggregate Carrying Amount of individually Immaterial Joint Venture Companies	10.01	12.52

(₹ Crore)

Particulars	Year ended	Year ended
	31 st March 2024	31 st March 2023
Aggregate Amount of the Group Share of:		
Profit for the Year	(2.48)	1.06
Other Comprehensive Income	(0.03)	0.06

(A) As per the Shareholders' agreements, Aditya Birla Sun Life Trustee Private Limited and Aditya Birla Wellness Limited cannot distribute their profits until they obtain consent from other venture partners.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(B) Aditya Birla Capital Limited holds, either directly or through its subsidiary, more than half of the equity shares holding in the following entities. However, as per the Shareholders' agreement/statute, the Company needs to jointly decide with other Shareholders of the respective entity on certain relevant activities. Hence, the same are being accounted as per equity method of accounting.

- a) Aditya Birla Sun Life Trustee Private Limited
- b) Aditya Birla Wellness Private Limited

NOTE: 52 ASSETS AND LIABILITIES OF THE POLICYHOLDERS OF LIFE INSURANCE BUSINESS

(₹ Crore)

Particulars	Note No.	As at 31 st March 2024	As at 31 st March 2023
ASSETS			
Financial Assets			
(a) Cash and Cash Equivalents	(i)	927.92	957.29
(b) Bank Balances other than (a) above	(i)(a)	0.25	0.25
(c) Derivative Financial Instruments	(x)	349.74	4.95
(d) Trade Receivables	(ii)	527.47	315.36
(e) Loans	(iii)	914.86	729.66
(f) Investments of Policyholders	(iv)	47,103.55	36,943.85
(g) Assets Held to Cover Linked Liabilities	(v)	36,005.19	30,505.79
(h) Other Financial Assets	(vi)	1,594.24	1,558.76
Sub Total		87,423.22	71,015.91
Non-Financial Assets			
(a) Property, Plant and Equipment	(vii)	65.13	38.68
(b) Right-to-Use of Assets		181.72	121.12
(c) Capital Work-in-Progress		7.83	6.43
(d) Intangible Assets Under Development		20.24	17.74
(e) Other Intangible Assets	(viii)	78.47	63.22
(f) Other Non-Financial Assets	(ix)	205.51	165.01
Sub Total		558.90	412.20
Total Assets of Policyholders of Life Insurance Business		87,982.12	71,428.11
EQUITY AND LIABILITIES			
Financial Liabilities			
(a) Derivative Financial Instruments	(x)	10.77	-
(b) Trade Payables			
- Micro Enterprises and Small Enterprises		12.34	2.54
- Creditors other than Micro Enterprises and Small Enterprises	(xi)	582.23	557.15
(c) Lease Liabilities		190.19	131.15
(d) Life Insurance Contract Liabilities and Restricted Surplus	(xiv)	85,388.46	69,089.93
(e) Other Financial Liabilities	(xii)	1,597.26	1,445.01
Sub Total		87,781.25	71,225.78



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Note No.	As at 31 st March 2024	As at 31 st March 2023
Non-Financial Liabilities			
(a) Provisions	(xiii)	123.82	111.03
(b) Deferred Tax Liabilities (Net)		14.87	10.27
(c) Other Non-Financial Liabilities	(xv)	97.50	82.24
Sub Total		236.19	203.54
Total Liabilities of Policyholders of Life Insurance Business		88,017.44	71,429.32

Note (i): Cash and Cash Equivalents

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Cash on Hand	4.26	6.61
Balances with Banks		
- Current Accounts	190.66	390.07
- Deposits with original maturity period of three months or less	580.90	459.61
Cheques/Drafts on Hand	152.10	101.00
	927.92	957.29

Note (i)(a): Bank Balances other than (i) above

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Balances at Banks		
- Deposits with original maturity of more than three months	0.25	0.25

Note (ii): Trade Receivables

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Trade Receivables at Amortised Cost		
Unsecured, Considered Good	527.47	315.36

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (iii): Loans at Amortised Cost

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Loans and Advances:		
Other Related Parties	17.68	6.99
Agents' Balances (Gross)	3.17	1.94
Less: Provision for Doubtful Debts	(0.54)	(0.31)
Advances Recoverable in Cash or in Kind or for value to be received	377.03	315.31
Loans Against Policies	517.52	405.73
	914.86	729.66
Secured		
Secured by Insurance Policies	517.52	405.73
Unsecured	397.34	323.93
	914.86	729.66
Loans within India		
Public Sectors	-	-
Others	914.86	729.66
	914.86	729.66

Note (iv): Financial Assets - Investments of Policyholders

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
A. Investments in Mutual Funds		
Quoted Investments		
Quoted Investments - At Fair Value through Profit or Loss	27.73	-
B. Investments in Equity Instruments		
Unquoted Investments		
At Fair Value through Profit or Loss	296.41	-
Quoted Investments		
At Fair Value through Profit or Loss	3,578.49	2,744.70
C. Investments in Government or Trust Securities		
Quoted Investments		
At Amortised Cost	24,111.36	17,651.88
At Fair Value through Other Comprehensive Income	5,098.71	4,618.67
	29,210.07	22,270.55
D. Investments in Debentures		
Quoted Investments		
At Amortised Cost	7,938.91	7,091.38
Less: Allowance for Impairment Loss	5.09	4.77
	7,933.82	7,086.61
At Fair Value through Other Comprehensive Income	5,468.32	4,322.63
Less: Allowance for Impairment Loss	3.65	2.46
	5,464.67	4,320.17
	13,398.49	11,406.78



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
E. Other Investments		
Unquoted Investments		
At Amortised Cost	-	10.29
At Fair Value through Other Comprehensive Income	67.77	-
	67.77	10.29
Quoted Investments		
At Fair Value through Other Comprehensive Income	263.91	94.48
At Amortised Cost	261.06	417.11
Less: Allowance for Impairment Loss	0.38	0.06
	260.68	417.05
	592.36	521.82
	47,103.55	36,943.85

Note (v): Assets Held to Cover Linked Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Quoted Investments at Fair Value through Profit or Loss		
Mutual Funds	562.74	337.80
Equity Instruments	17,602.35	13,795.91
Government or Trust Securities	10,016.32	7,987.30
Debentures	6,814.14	6,939.61
Other Investments	864.16	1,314.19
Other Assets	66.55	(39.82)
Unquoted Investments at Fair Value through Profit or Loss		
Other Investments	78.93	170.80
	36,005.19	30,505.79

Note (vi): Other Financial Assets

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Security Deposits	77.40	71.50
Unclaimed Maturity Fund	152.61	197.52
Reinsurance Assets	1,363.92	1,274.94
Others	-	10.00
MTM Margin A/c - FRA Receivables	0.31	4.80
	1,594.24	1,558.76

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (vii): Property, Plant and Equipment

(₹ Crore)

Particulars	Information Technology Equipment	Leasehold Improvement	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31st March 2024						
Gross Carrying Amount						
Opening Gross Carrying Amount	22.67	4.73	13.59	9.70	6.17	56.86
Additions	11.61	7.20	10.33	10.26	3.66	43.06
Disposals	2.08	3.01	0.78	4.16	1.17	11.20
	32.21	8.92	23.14	15.80	8.66	88.72
Accumulated Depreciation						
Opening Depreciation	12.66	(4.23)	2.81	4.91	2.03	18.18
Depreciation for the Year	5.37	3.25	2.68	2.96	1.79	16.05
Disposals	1.99	2.98	0.69	3.82	1.16	10.64
	16.04	(3.96)	4.80	4.05	2.66	23.59
Net Carrying Amount	16.16	12.88	18.34	11.75	6.00	65.13
As at 31st March 2023						
Gross Carrying Amount						
Opening Gross Carrying Amount	21.69	10.68	10.43	8.23	6.12	57.15
Additions	4.23	3.10	4.68	3.12	2.01	17.14
Disposals	3.25	9.05	1.52	1.65	1.96	17.43
	22.67	4.73	13.59	9.70	6.17	56.86
Accumulated Depreciation						
Opening Depreciation	11.48	1.97	2.19	4.51	2.19	22.34
Depreciation for the Year	4.40	2.64	1.98	1.67	1.75	12.44
Disposals	3.22	8.84	1.36	1.27	1.91	16.60
	12.66	(4.23)	2.81	4.91	2.03	18.18
Net Carrying Amount	10.01	8.96	10.78	4.79	4.14	38.68

Note (viii): Intangible Assets

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Software		
Gross Carrying Amount		
Opening Gross Carrying Amount	204.34	172.87
Additions	45.31	37.35
Disposals	1.30	5.88
	248.35	204.34
Accumulated Amortisation		
Opening Amortisation	141.12	110.60
Amortisation for the Year	29.94	35.71
Disposals	1.18	5.19
	169.88	141.12
Net Carrying Amount	78.47	63.22



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (ix): Other Non-Financial Assets

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Capital Advances	6.29	3.90
Prepaid Expenses	47.73	42.93
Deferred Acquisition Cost	0.59	1.38
Leave Encashment Fund	46.79	42.10
Gratuity Fund	83.31	65.42
Advances to Suppliers	12.83	1.25
Other Statutory Receivables	7.33	7.54
Advances to Employees	0.34	0.22
SCWF Fund	0.30	0.27
	205.51	165.01

Note (x): Derivative Financial Instruments

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Interest Rate Derivatives		
Assets		
Dirty Notional Amounts	15,089.11	4,022.36
Clean Notional Amounts	14,625.02	3,883.56
Liabilities		
Dirty Notional Amounts	1,508.57	3,317.22
Clean Notional Amounts	1,415.79	3,101.17
Fair Value Assets (Net)	338.98	4.95

Note (xi): Trade Payables

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Dues of Micro and Small Enterprises	12.34	2.54
Dues of Others	582.23	557.15
	594.57	559.69

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2024 (₹ Nil as at 31st March 2023). This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Terms and Conditions of the above Financial Liabilities:

- Trade payables are non-interest bearing, and are normally settled on 60-90 days terms.
- For explanations on the Company's credit risk management processes, refer to Note No. 54.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (xii): Other Financial Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
At Amortised Cost		
Payables for Salaries, Wages, Bonus and other Employee Benefits	166.65	166.92
Payables for Capital Expenditure	0.01	0.04
Dues to Policyholders	1,003.98	1,074.85
Unclaimed Amounts of Policyholders	152.66	197.85
Deposits	3.68	2.96
Interest Payable on NCD	-	0.07
Subvention Money Received	1.95	2.32
Mark-to-Market FRA	268.33	-
	1,597.26	1,445.01

Note (xiii): Provisions

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Provision for Employee Benefits		
Leave Encashment	28.50	19.97
Long-Term Incentive Plan	9.18	21.68
Provision for Gratuity	86.14	69.38
	123.82	111.03

Note (xiv): Life Insurance Contract Liabilities and Restricted Surplus

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Contract Liabilities of Life Insurance		
Insurance Contract Liabilities	60,787.67	49,520.24
Investment Contract Liabilities	23,494.84	19,287.31
Fair Value Changes of Policyholders' Investments		
Fair Value through Profit or Loss	447.61	118.80
Fair Value through Other Comprehensive Income	618.92	95.70
Policyholder Fund Other Changes		
Fair Value through Profit or Loss	21.73	8.17
Fair Value through Other Comprehensive Income	(9.17)	45.94
Amortised Cost (Others)	26.86	13.77
	85,388.46	69,089.93



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (xv): Other Non-Financial Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Advances from Customers	22.71	16.21
Other Payables		
Deferred Liabilities for Deposits	2.36	-
Deferred Fees	0.31	2.06
Statutory Dues	71.22	0.69
Deposits for Agents Training and Others	0.90	62.88
Payables to Employees	-	0.40
	97.50	82.24

Note (xvi): Income from Life Insurance Operations

(₹ Crore)

Particulars	Note No.	Year ended 31 st March 2024	Year ended 31 st March 2023
Life Insurance Premium (Net of Service Tax/GST)		15,057.60	13,381.83
Reinsurance Ceded		(535.94)	(530.23)
Fees and Commission Income		0.38	0.57
Interest Income	(xvi)A	2,890.36	2,233.57
Dividend Income		75.02	48.88
Fair Value Changes	(xvi)B	430.83	38.44
Other Income	(xvi)C	31.82	13.02
		17,950.07	15,186.08

Note (xvi)A: Interest Income of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Interest on Loans		
On Financial Assets Measured at Amortised Cost	0.55	1.22
Interest Income from Investments		
On Financial Assets Measured at Fair Value through OCI	736.81	601.05
On Financial Assets Measured at Amortised Cost	2,068.03	1,574.85
On Financial Assets Classified at Fair Value through Profit or Loss	15.97	13.53
Interest on Deposits with Banks		
On Financial Assets Measured at Fair Value through OCI	3.14	0.02
On Financial Assets Measured at Amortised Cost	0.49	0.36
Other Interest Income		
On Financial Assets Measured at Amortised Cost	65.37	42.54
	2,890.36	2,233.57

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (xvi)B: Net Gain/(Loss) on Fair Value Changes of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
A. On Financial Instruments at Fair Value through Profit or Loss		
On Trading Portfolio		
Equity	505.82	42.39
Derivatives	(83.08)	(12.92)
B. On Financial Instruments at Fair Value through Other Comprehensive Income		
Debts	1.81	0.66
C. On Financial Instruments at Amortised Cost		
Debts	10.23	8.21
Equity	(3.95)	0.10
Total Net Gain/(Loss) on Fair Value Changes	430.83	38.44
Fair Value Changes:		
Realised	168.88	96.63
Unrealised	261.95	(58.19)

Note (xvi)C: Other Income of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Changes in Market Value of Leave Encashment Fund	14.73	5.46
Notional Interest Income	2.37	(0.80)
Deferred Lease Income on Refundable Deposits	0.35	0.01
Sub-Lease Rent Income	12.57	8.29
Others	1.80	0.06
	31.82	13.02

Note (xvii): Expenses of the Life Insurance Operations

(₹ Crore)

Particulars	Note No.	Year ended 31 st March 2024	Year ended 31 st March 2023
Finance Costs	(xvii)A	14.68	10.81
Fees and Commission Expenses		908.94	793.72
Impairment on Financial Instruments	(xvii)B	0.91	2.37
Employee Benefits Expenses	(xvii)C	1,191.00	1,007.23
Benefits Payout	(xvii)D	7,181.98	5,211.96
Claims Ceded to Reinsurers		(379.12)	(299.23)
Changes in Valuation of Liabilities	(xvii)E	7,594.89	7,290.58
Depreciation and Amortisation Expenses	(xvii)F	97.62	83.21
Other Expenses	(xvii)G	992.26	1,092.60
		17,603.16	15,193.25
Add: Restricted Life Insurance Surplus Retained in Policyholders' Fund		266.77	(67.56)
		17,869.93	15,125.69



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (xvii)A: Finance Costs of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Finance Cost - Lease Liabilities	14.68	10.81
	14.68	10.81

Note (xvii)B: Impairment on Financial Instruments of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Provision for Security Deposits	(0.29)	0.83
Provision on Investments (ECL)	1.82	1.64
Provision for Standard and Non-Standard Assets	(0.05)	(0.02)
Provision on Agent's Receivable	(0.23)	(0.21)
Provision Others	(0.34)	0.13
	0.91	2.37

Note (xvii)C: Employee Benefits Expenses of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Salaries, Wages and Bonus	1,105.78	939.25
Contribution to Provident and Other Funds	49.22	40.01
Gratuity Expenses	5.90	5.57
Staff Welfare Expenses	26.20	21.48
ESOP Expenses	3.90	0.92
	1,191.00	1,007.23

Note (xvii)D: Benefits Payouts of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Claims by Death	996.45	769.67
Claims by Maturity	694.21	864.35
Annuities/Pension Payments	40.13	30.34
Surrender and Withdrawals	4,924.95	3,251.07
Other Benefits (Riders)	526.24	296.53
	7,181.98	5,211.96

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note (xvii)E: Changes in Valuation of Liabilities in Respect of Life Insurance Policies in Force of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Changes in Valuation of Liabilities in respect of Life Insurance Policies	14,117.39	8,198.66
Release from Funds from Future Appropriations	61.61	-
Changes in Premium Discontinuance Funds	93.86	247.87
Investments (Income)/Loss on Life Insurance Policyholders' Fund related to Linked Business	(6,677.97)	(1,155.95)
	7,594.89	7,290.58

Note (xvii)F: Depreciation and Amortisation Expenses of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Depreciation of Property, Plant and Equipment	16.03	12.44
Amortisation of Intangible Assets	29.95	35.71
Amortisation of Lease Assets	51.64	35.06
	97.62	83.21

Note (xvii)G: Other Expenses of Life Insurance Operations

(₹ Crore)

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Rent	14.72	22.74
Repairs and Maintenance of:		
Buildings	1.94	2.31
Others	11.21	14.79
Rates and Taxes	65.99	63.95
Electricity Expenses	9.23	9.50
Advertisements	243.76	560.47
Distribution Expenses	93.21	48.91
Legal and Professional Fees	45.67	16.99
Printing and Stationery	4.73	4.40
Travelling and Conveyance	23.51	24.56
Communication Expenses	9.15	7.91
Loss on Sale/Discard of Fixed Assets (Net)	(0.06)	0.02
Information Technology Expenses	113.69	95.23
Miscellaneous Expenses	289.61	174.36
Other Expenses	65.90	46.46
	992.26	1,092.60



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 53

A. Carrying Value of Financial Instruments

Category-wise Classification of Financial Assets and Financial Liabilities as on 31st March 2024

(₹ Crore)

Particulars	Amortised Cost	Mandatorily at FVTPL	FVTOCI	Designated at FVTPL	Total Carrying Amount
(a) Cash and Cash Equivalents	1,554.30	-	-	-	1,554.30
(b) Bank Balances other than (a) above	2,024.71	-	-	-	2,024.71
(c) Derivative Financial Instruments	-	349.74	10.33	0.08	360.15
(d) Receivables					
(i) Trade Receivables	698.14	-	-	-	698.14
(ii) Other Receivables	16.08	-	-	-	16.08
(e) Loans	1,23,117.76	-	-	-	1,23,117.76
(f) Investments					
- Investments of Life Insurance Business					
- Investments of Life Insurance Policyholders	32,305.87	3,902.63	10,443.62	-	46,652.12
- Investments of Life Insurance Shareholders	-	136.17	3,864.81	-	4,000.98
- Other Investments	3.85	8,479.15	3.97	-	8,486.97
(g) Assets Held to Cover Linked Liabilities	-	36,005.19	-	-	36,005.19
(h) Other Financial Assets	1,817.69	-	-	-	1,817.69
Total Financial Assets	1,61,538.40	48,872.88	14,322.73	0.08	2,24,734.09
(a) Derivative Financial Instruments	-	10.77	83.11	3.62	97.49
(b) Payables					
- Trade Payables					
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	30.89	-	-	-	30.89
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,382.19	-	-	-	1,382.19
- 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	-	-	-	-	-
(c) Debt Securities	36,397.68	-	-	497.87	36,895.55
(d) Borrowings (other than Debt Securities)	68,834.42	-	-	-	68,834.42
(e) Subordinated Liabilities	3,810.13	-	-	-	3,810.13
(f) Lease Liabilities	599.24	-	-	-	599.24
(g) Policyholders' Liabilities	-	-	-	85,388.46	85,388.46
(h) Other Financial Liabilities	5,026.42	-	-	-	5,026.42
Total Financial Liabilities	1,16,080.97	10.77	83.11	85,889.95	2,02,064.79

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Category-wise Classification of Financial Assets and Financial Liabilities as on 31st March 2023

(₹ Crore)					
Particulars	Amortised Cost	Mandatorily at FVTPL	FVTOCI	Designated at FVTPL	Total Carrying Amount
(a) Cash and Cash Equivalents	1,730.79	-	-	-	1,730.79
(b) Bank Balances other than (a) above	585.07	-	-	-	585.07
(c) Derivative Financial Instruments	-	5.13	0.33	0.51	5.97
(d) Receivables					
(i) Trade Receivables	411.08	-	-	-	411.08
(ii) Other Receivables	-	-	-	-	-
(e) Loans	93,427.26	-	-	-	93,427.26
(f) Investments					
- Investments of Life Insurance Business					
- Investments of Life Insurance Policyholders	25,165.83	2,744.69	9,033.33	-	36,943.85
- Investments of Life Insurance Shareholders	-	136.63	3,166.28	-	3,302.91
- Other Investments	323.28	5,000.13	3.08	-	5,326.49
(g) Assets Held to Cover Linked Liabilities	-	30,505.79	-	-	30,505.79
(h) Other Financial Assets	1,785.42	-	-	-	1,785.42
Total Financial Assets	1,23,428.73	38,392.37	12,203.02	0.51	1,74,024.63
(a) Derivative Financial Instruments	-	-	7.15	6.54	13.69
(b) Payables					
- Trade Payables					
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	24.97	-	-	-	24.97
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,381.60	-	-	-	1,381.60
- 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	-	-	-	-	-
(c) Debt Securities	26,300.33	-	-	944.53	27,244.86
(d) Borrowings (other than Debt Securities)	53,815.47	-	-	-	53,815.47
(e) Subordinated Liabilities	3,260.44	-	-	-	3,260.44
(f) Lease Liabilities	416.73	-	-	-	416.73
(g) Policyholders' Liabilities	-	-	-	69,089.94	69,089.94
(h) Other Financial Liabilities	2,562.74	-	-	-	2,562.74
Total Financial Liabilities	87,762.28	-	7.15	70,041.01	1,57,810.44



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

B. Fair Values

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ Crore)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at Amortised Cost				
Financial Assets related to Life Insurance Business	32,305.87	33,221.02	25,165.83	25,282.33
Loans	1,23,117.76	1,23,117.76	93,427.26	93,427.26
Investments in Debentures/Bonds	3.85	3.85	323.29	323.29
Total	1,55,427.48	1,56,342.63	1,18,916.38	1,19,032.89
Financial Liabilities at Amortised Cost				
Debt Securities	36,397.68	36,423.01	26,300.33	26,244.94
Borrowings other than Debt Securities	68,834.42	68,834.42	53,815.47	53,815.39
Subordinated Liabilities	3,810.13	3,793.34	3,260.44	3,235.90
Total	1,09,042.23	1,09,050.77	83,376.24	83,296.23

Carrying value of loans given by the Group approximates the fair value.

The Management assessed that loans against policies, leave encashment, advances to related party and others, security deposits, cash and cash equivalents, trade receivables, trade payables, bank overdrafts, and other current financial liabilities and assets approximate their carrying amounts, largely due to the short-term maturities of these instruments.

Financial Instruments Measured at Fair Value – 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:** Category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.
- **Level 2:** Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities, for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Group's own valuation models, whereby the material assumptions are market observable.
- **Level 3:** Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that 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 main asset classes in this category are unlisted equity investments as well as unlisted funds.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Valuation Technique for Level 2 Instruments

Investments in Preference Shares: Investments made in preference shares is not actively traded on stock exchange, and such instruments are classified as Level 2.

Investments in Government Securities: The Fair Values of investments made in Government Securities are based on valuation report from ICRA as at the reporting period, and the same are classified under Level 2.

Investments in Alternate Funds: Units held in funds of AIF are measured based on their published net asset value ("NAV"), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investments in Debt Securities:

a. NBFC

Fair value of these instruments is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. The Company has used quoted price of National Stock Exchange, wherever bonds are traded actively. In cases where debt securities are not actively traded, the Company has used CRISIL corporate bond valuer model for measuring fair value, i.e., fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ("FIMMDA") data on corporate bond spreads, and such instruments are classified as Level 2.

b. Life Insurance

Fair valuation of Non-Convertible Debentures, AT1 Bonds, Non-Convertible Redeemable Preference Shares are carried basis yield matrix provided by CRISIL on daily basis using CRISIL Bond Valuer to arrive at security level prices. Similarly, basis the available yield matrix valuation is derived for Commercial Paper, Certificate of Deposit, and Treasury Bills. Such instruments are classified as Level 2.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Quantitative Disclosures of Fair Value Measurement Hierarchy for Assets and Liabilities as at 31st March 2024:

(₹ Crore)				
Particulars	Level 1	Level 2	Level 3	Total
Assets Measured at Fair Value:				
Derivative Assets	-	360.15	-	360.15
Reinsurance Assets	-	-	1,363.92	1,363.92
FVTOCI Assets:				
Equity	-	-	3.97	3.97
Financial Assets Related to Life Insurance Business				
Policyholders	5,098.71	5,344.90	-	10,443.61
Shareholders	1,321.50	2,542.43	0.88	3,864.81
FVTPL Assets:				
Equity	0.68	-	-	0.68
Mutual Funds	-	1,367.00	-	1,367.00
Debentures/Bonds	429.97	816.52	-	1,246.49
Government Securities	-	5,291.31	-	5,291.31
Other Investments	-	-	573.67	573.67
Financial Assets Related to Life Insurance Business				
Policyholders	30,368.43	9,472.84	-	39,841.27
Shareholders	52.02	84.16	-	136.18
FVTPL Liabilities:				
Debt Securities	-	497.87	-	497.87
	37,271.31	25,777.18	1,942.44	64,990.93
Assets for which Fair Values are disclosed above (Excluding Loans)				
Investments in Debentures/Bonds	-	3.85	-	3.85
Financial Assets Related to Life Insurance Business				
Policyholders	24,836.10	8,384.92	-	33,221.02
Total	62,107.41	34,165.95	1,942.44	98,215.80
Liabilities Measured at Fair Value:				
Derivative Liabilities	-	97.49	-	97.49
Insurance Contract Liabilities	24,098.67	-	36,689.00	60,787.67
Investment Contract Liabilities	11,968.26	-	11,526.58	23,494.84
Liabilities for which Fair Values are disclosed above:				
Debt Securities	-	25,212.23	11,210.78	36,423.01
Borrowings (other than Debt Securities)	-	-	68,834.42	68,834.42
Subordinated Liabilities	-	3,782.34	11.00	3,793.34
Total	36,066.93	29,092.06	1,28,271.78	1,93,430.77

There have been no transfers between Level 1 and Level 2 during the period.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Quantitative Disclosures of Fair Value Measurement Hierarchy for Assets and Liabilities as at 31st March 2023:

	(₹ Crore)			
Particulars	Level 1	Level 2	Level 3	Total
Assets Measured at Fair Value:				
Derivative Assets/(Liabilities) of Life Insurance Business	-	5.97	-	5.97
Reinsurance Assets	-	-	1,274.94	1,274.94
FVTOCI Assets:				
Equity	-	-	3.08	3.08
Financial Assets Related to Life Insurance Business				
Policyholders	4,618.67	4,414.66	-	9,033.33
Shareholders	1,293.95	1,871.47	0.86	3,166.28
FVTPL Assets:				
Equity	0.35	-	-	0.35
Mutual Funds	-	580.51	-	580.51
Debentures/Bonds	-	1,257.31	-	1,257.31
Government Securities	-	2,595.68	-	2,595.68
Other Investments	-	56.08	510.19	566.27
Financial Assets Related to Life Insurance Business				
Policyholders	23,276.55	10,013.74	-	33,290.29
Shareholders	52.60	84.03	-	136.63
FVTPL Liabilities:				
Debt Securities	-	944.53	-	944.53
	29,242.12	21,823.98	1,789.07	52,855.17
Assets for which Fair Values are disclosed above (Excluding Loans)				
Investments in Debentures/Bonds	88.00	-	235.29	323.29
Financial Assets Related to Life Insurance Business				
Policyholders	17,686.24	7,596.09	-	25,282.33
	47,016.36	29,420.07	2,024.36	78,460.79
Liabilities Measured at Fair Value:				
Derivative Liabilities	-	13.69	-	13.69
Insurance Contract Liabilities	20,497.61	-	29,022.63	49,520.24
Investment Contract Liabilities	10,009.80	-	9,277.51	19,287.31
Liabilities for which Fair Values are disclosed above:				
Debt Securities	-	18,568.77	7,676.17	26,244.94
Borrowings (other than Debt Securities)	-	-	53,815.39	53,815.39
Subordinated Liabilities	-	3,224.69	11.21	3,235.90
Total	30,507.41	21,807.15	99,802.91	1,52,117.47

There have been no transfers between Level 1 and Level 2 during the period.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Level 3 Fair Value Measurements

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31st March 2024 and 31st March 2023 are as shown below:

(₹ Crore)				
Financial Assets/Liabilities Related to Insurance Business	Valuation Techniques	Significant Unobservable Inputs	Range	Sensitivity of the Input to Fair Value
For 31st March 2024				
Private Equity Investment		Valuation at 10% Discount compared to peer group	0.45	6.34
Private Equity Investment	Price to Book Value Method	Valuation at par with peer group	0.50	7.05
Private Equity Investment		Valuation at 10% Premium compared to peer group	0.55	7.75
For 31st March 2023				
Private Equity Investment		Valuation at 10% Discount compared to peer group	0.45	6.20
Private Equity Investment	Price to Book Value Method	Valuation at par with peer group	0.50	6.90
Private Equity Investment		Valuation at 10% Premium compared to peer group	0.55	7.50

Impact on Fair Value of Level 3 Financial Instruments measured at Fair Value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

(₹ Crore)				
Fair Value				
As at 31 st March 2024				
Financial Assets Related to Other Business	Level 3	Valuation Technique	Significant Unobservable Inputs	
	Assets			
Equity Shares	3.97	Net Worth of Investee Company	Instrument Price	
Others	573.67	Discounted Projected Cash Flow	Expected Gross Recoveries and Discount Rates	
(₹ Crore)				
Fair Value				
As at 31 st March 2023				
Financial Assets Related to Other Business	Level 3	Valuation Technique	Significant Unobservable Inputs	
	Assets			
Equity Shares	3.08	Net Worth of Investee Company	Instrument Price	
Others	510.19	Discounted Projected Cash Flow	Expected Gross Recoveries and Discount Rates	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Sensitivity of Fair Value Measurements to changes in unobservable market data

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Favourable Changes (+5%)	Unfavourable Changes (-5%)	Favourable Changes (+5%)	Unfavourable Changes (-5%)
Equity Shares	0.20	(0.20)	0.15	(0.15)
Others	28.68	(28.68)	25.51	(25.51)

Reconciliation of Level 3 Fair Value Instruments

Particulars	Year ended	
	31 st March 2024	31 st March 2023
Balance at the beginning of the Year	1,789.07	1,476.61
Gains or Losses		
in Profit or Loss	51.24	(17.55)
in OCI	0.91	0.77
Purchases	12.24	266.34
Sales	-	(120.74)
Movement of Other Current Assets	-	165.49
Movement of Reinsurance Assets	88.98	18.15
Balance at the end of the Year	1,942.44	1,789.07

(₹ Crore)

NOTE: 54 RISK RELATED TO INSURANCE BUSINESS

Insurance and Financial Risk

The principal risk the Group faces under insurance contracts is that the actual claims and benefits payments or the timing thereof differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

Life Insurance Contracts and Investment Contracts with and without Discretionary Participation Feature ("DPF")

Ind AS 104 requires products offered by the Insurance Group to classify them into Insurance Contract and Investment Contract. Each contract needs to be classified into insurance contract and investment contract based on the risk they carry.

- A contract would be an Insurance Contract and Investment Contract with DPF, if the benefits payable on death is higher by: at least 5% of the fund value at any time during the life on the contract for unit-linked products, or at 5% of the premium at any time during the life of the contract for other than unit-linked products.

All other contracts are categorised as Investment Contracts.

For contracts with DPF, the participating nature of these contracts result in a significant portion of the insurance risk being shared with the insured party. For contracts without DPF, the Group charges for death and disability risks on a quarterly basis. Under these contracts, the Group has the right to alter these charges to take account of death and disability experience, thereby mitigating the risks to the Group.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The main risks that the Group is exposed to are as follows:

- i) **Persistency Risk** – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.
- ii) **Mortality Risk** – risk of loss arising due to policyholder death experience being different than expected.
- iii) **Morbidity Risk** – risk of loss arising due to policyholder health experience being different than expected.
- iv) **Longevity Risk** – risk of loss arising due to the annuitant living longer than expected.
- v) **Investment Return Risk** – risk of loss arising from actual returns being different than expected.
- vi) **Expense Risk** – risk of loss arising from expense experience being different than expected.
- vii) **Product and Pricing Risk** – risk of loss due to incorrect pricing or not adhering to the product regulations or higher payouts due to ambiguity in terms and conditions.
- viii) **Reinsurance Risk** – The Group enters into reinsurance agreements in order to mitigate insurance risk. However, this leads to default risk from the reinsurer at the time of claim payment or also concentration risk, if all the risks are insured to one reinsurer.
- ix) **Concentration Risk** – The Group faces concentration risk by selling business to specific geography or by writing only single line business, etc.

Control Measures

The actuarial department has set up systems to continuously monitor the Group's experience with regard to parameters like policy lapses, premium persistency, maintenance expenses and investment returns. The underwriting team, with actuarial guidance, has set in place processes and procedures to review proposal. Many products offered by the Group also have an investment guarantee. The Group has set aside additional reserves to cover this risk.

Further, the possible financial effect of adverse mortality and morbidity experience has been reduced by entering into reinsurance agreements with multiple reinsurers. The Group has entered into a separate agreement with reinsurers to cover the catastrophic risks under Individual and the Group business.

A further element of managing risk is to limit the exposure to individual segments of the population. In essence, being over-represented in any population segment will increase the variance of the Group's experience, and so, there are advantages to diversifying across all relevant population segments, at least until data is available to confirm which segments can be expected to have relatively favourable experience. At the present stage, in the Group's development, the focus is on building new distribution, and so, geographical diversification is actively taking place. In future, the actuarial team will need to be alert to assess potential risk aggregations.

The Group has a Board approved Risk Management Policy covering underwriting, claims and reserving for policy liabilities. The Group has a detailed claims processing manual in place. Complicated and large claims are referred to the Group's Claims Review Committee.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Life Insurance Contracts Liabilities: Change in Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
Gross Liabilities at the beginning of the year	7,825.04	20,805.62	20,889.59	49,520.25	6,273.04	21,255.67	15,725.52	43,254.25
Add/(Less)								
Premium	1,554.92	2,607.28	8,732.28	12,894.48	1,609.96	2,503.01	9,388.32	13,501.29
Unwinding of the Discount/Interest Credited	707.27	5,303.08	1,931.34	7,941.69	515.22	753.83	1,316.65	2,585.70
Insurance Liabilities Released	(460.31)	(4,032.86)	(2,663.75)	(7,156.92)	(267.36)	(3,213.60)	(1,950.70)	(5,431.66)
Undistributed Participating Policyholders Surplus (FFA)	-	-	61.61	61.61	-	-	-	-
Others (Expense Overrun, Contribution from S/H and Profit/Loss)	(306.04)	(347.60)	(1,819.80)	(2,473.44)	(305.82)	(493.29)	(3,590.23)	(4,389.34)
Gross Liabilities at the end of the Year	9,320.88	24,335.52	27,131.27	60,787.67	7,825.04	20,805.62	20,889.56	49,520.24
Recoverable from Reinsurance	4.18	23.15	1,336.59	1,363.92	5.22	25.11	1,244.61	1,274.94
Net Liabilities	9,316.70	24,312.37	25,794.68	59,423.75	7,819.82	20,780.51	19,644.95	48,245.30

Investment Contracts Liabilities

(₹ Crore)

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
At the beginning of the Year	8,649.61	10,013.54	624.16	19,287.31	6,715.04	9,242.17	429.17	16,386.38
Additions								
Premium	2,288.40	1,603.55	473.69	4,365.64	2,072.26	1,332.78	235.61	3,640.65
Interest and Bonus Credited to Policyholders	442.49	1,339.03	58.53	1,840.05	509.29	382.85	36.16	928.30
Deductions								
Withdrawals/Claims	1,209.79	824.38	-	2,034.17	728.79	894.68	33.24	1,656.71
Fee Income and Other Expenses	-	14.84	15.10	29.94	5.66	13.61	7.60	26.87
Other Profit and Loss	(277.14)	142.91	66.21	(68.02)	(87.47)	33.90	35.94	(17.63)
Others (includes DAC, DOF and Profit/Loss)	-	2.07	-	2.07	-	2.07	-	2.07
At the end of the Year	10,447.85	11,971.92	1,075.07	23,494.84	8,649.61	10,013.54	624.16	19,287.31

Reinsurance Assets

(₹ Crore)

Particulars	31 st March 2024	31 st March 2023
At the beginning of the Year	1,274.94	1,256.79
Add/(Less)		
Premium	535.94	530.23
Unwinding of the Discount/Interest Credited	79.25	53.89
Insurance Liabilities Released	(379.12)	(299.23)
Others (Experience Variations)	(147.09)	(266.74)
At the end of the Year	1,363.92	1,274.94



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Deferred Acquisition Costs

Particulars	(₹ Crore)
	Amount
As at 1 st April 2022	2.58
Amortisation	(1.20)
As at 31 st March 2023	1.38
Amortisation	(0.79)
As at 31 st March 2024	0.59

Deferred Origination Fees

Particulars	(₹ Crore)
	Amount
As at 1 st April 2022	1.26
Amortisation	(0.57)
As at 31 st March 2023	0.69
Amortisation	(0.38)
As at 31 st March 2024	0.31

Key Assumptions

The assumptions play vital role in calculating Insurance Liabilities for the Group. Material judgment is required in determining the liabilities and in the choice of assumptions. Best estimate assumptions in use are based on historical and current experience, internal data, some judgment and as per guidance notes/actuarial practice standards. However, for the purpose of valuation, an additional level of prudence has been kept on all the best estimate assumptions known as MfAD (Margin for Adverse Deviation). The Group keeps adequate MfAD, as prescribed in APS 7, issued by the Institute of Actuaries of India (IAI), in all assumptions over the best estimate value.

Best Estimate Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

Assumptions can vary by type of product, duration, gender, etc., if the experience of any category is significantly different, and data is credible for the respective category.

The key assumptions to which the estimation of liabilities is particularly sensitive, are as follows:

i) Mortality and Morbidity Rates

Assumptions are based on historical experience and for new products based on industry, reinsurers data. An appropriate, but not excessive, allowance may be made for expected future improvements. Assumptions may vary by type of product, distribution channel, gender, etc.

An increase in mortality/morbidity rates will usually lead to a larger number/amount of claims (and claims could occur sooner than anticipated), which will increase the liability and reduce profits for the shareholders.

ii) Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Group's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are normally differentiated by gender, underwriting class and contract type. An increase in longevity rates will lead to an increase in the number of annuity payments to be made, which will increase the liability and reduce profits for the shareholders.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

iii) Investment Returns and Discount Rates

The weighted-average rate of return is derived based on a model portfolio that is assumed to back liabilities, consistent with the long-term asset allocation strategy. These estimates are based on current market returns as well as expectations about future economic and financial developments.

An increase in investment return would lead to an increase in profits for the shareholders.

Life Insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on investment strategy of the Group, current industry risk rates, adjusted for the Group's own risk exposure.

A decrease in the discount rate will increase the value of the insurance liability and, therefore, reduce profits for the shareholders.

iv) Expenses and Inflation

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation, if appropriate.

An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

v) Lapse, Surrender and Partial Withdrawal Rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Group's experience, and usually vary by product type, policy duration and sales trends.

An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

The best estimate assumptions, that have the greatest effect on the Statement of Financial Position and the Statement of Profit and Loss of the Group, are listed below.

Portfolio Assumptions by the Type of Business Impacting Net Liabilities	Mortality Rates		Investment Returns		Lapse and Surrender Rates	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Insurance						
With DPF	75% - 275% of IALM 2012-14	75% - 223% of IALM 2012-14	7.15% p.a.	7.15% p.a.	PY1: 9% - 25% PY2: 1% PY3+: 1% - 2% (varying by product)	PY1: 9% - 25% PY2: 2% PY3+: 1% - 2% (varying by product)
Linked Business	55% of IALM 2012-14	55% of IALM 2012-14	a) 9.0% p.a. for assets backing linked liabilities b) 6.9% p.a. for asset backing non-unit liabilities	a) 9.0% p.a. for assets backing linked liabilities b) 6.9% p.a. for asset backing non-unit liabilities	PY1: 10% - 35% PY2: 5% - 35% PY3+: 3% - 20% (varying by product and duration)	PY1: 10% - 35% PY2: 5% - 35% PY3+: 3% - 20% (varying by product and duration)
Others	19.4% - 407% of IALM 2012-14	20% - 295.8% of IALM 2012-14	6.53% - 7.53% p.a.	6.15% - 7.55% p.a.	PY1: 0% - 40% PY2: 0% - 15% PY3+: 0% - 12% (varying by product and duration)	PY1: 0% - 40% PY2: 0% - 15% PY3+: 0% - 12% (varying by product and duration)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Portfolio Assumptions by the Type of Business impacting Net Liabilities	Partial Withdrawal		Renewal Per Policy Expense Assumptions		Inflation	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Insurance						
With DPF	N/A	N/A	Max 821.36 Per Policy	Max 782.25 Per Policy	0.05	0.05
Linked Business	0% - 3% p.a.	0% - 3% p.a.	821.36 Per Policy	782.25 Per Policy	0.05	0.05
Others	N/A	N/A	Max 821.36 Per Policy (varies by product)	Max 782.25 Per Policy (varies by product)	0.05	0.05

Note: Commission scales have been allowed in accordance with the product filing with IRDA.

Sensitivity Analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross liabilities. The correlation of assumptions will have a significant effect in determining the ultimate liabilities, but to demonstrate the impact, due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that the movements in these assumptions are non-linear. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period. The sensitivities are same as shared with Regulators during annual reporting.

Sensitivity Parameters	31 st March 2024				31 st March 2023			
	Insurance with DPF	Insurance without DPF	Investments with DPF	Investments without DPF	Insurance with DPF	Insurance without DPF	Investments with DPF	Investments without DPF
Lapses Increased by 10%	9,221.51	50,857.19	10,447.88	12,907.88	7,780.69	41,458.92	8,649.64	10,577.39
Lapses Decreased by 10%	9,428.28	51,997.53	10,447.88	13,197.31	7,870.65	41,938.23	8,649.64	10,699.67
Mortality Increased by 10%	9,361.26	51,627.91	10,447.88	13,103.50	7,846.52	41,809.69	8,649.64	10,666.88
Mortality Decreased by 10%	9,282.77	51,195.02	10,447.88	12,993.62	7,801.51	41,569.81	8,649.64	10,605.68
Expenses Increased by 10%	9,355.16	51,594.25	10,447.88	13,094.95	7,840.83	41,779.37	8,649.64	10,659.14
Expenses Decreased by 10%	9,286.97	51,218.20	10,447.88	12,999.51	7,806.90	41,598.53	8,649.64	10,613.01
Interest Rate Increased by 100 bps	9,310.69	51,348.99	10,447.88	13,032.70	7,746.42	41,276.31	8,649.64	10,530.80
Interest Rate Decreased by 100 bps	9,331.52	51,463.88	10,447.88	13,061.86	7,909.87	42,147.24	8,649.64	10,753.00
Inflation Rate Increased by 100 bps	9,362.44	51,634.42	10,447.88	13,105.15	7,844.12	41,796.91	8,649.64	10,663.62
Inflation Rate Decreased by 100 bps	9,287.29	51,219.96	10,447.88	12,999.95	7,807.36	41,601.00	8,649.64	10,613.64

Financial Risks

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to other party by failing to discharge an obligation. The Group is subject to credit risk in connection with issuers of securities held in our investment portfolio and reinsurers. Losses may occur when a counterparty fails to make timely payments, pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. Credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the Group to record realised or unrealised losses and increase our provisions for asset default, adversely impacting earnings.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Governance structure, in the form of Investment Committee, and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. Stringent investment norms and approval structure ensure healthy portfolio while delivering the expected performance. All Regulatory and Internal Norms are built in the Investment System, which monitors the investment limits and exposure norms on real-time basis.

The policyholders' funds are invested in accordance with regulatory norms, investment policy, fund objective of unit-linked funds and risk profile of the respective fund in fixed income segment. Majority of the investments are made in the government securities having sovereign rating and debt securities issued by reputed corporate having appropriate rating as per Investment Committee.

Derivative financial instrument: The settlement risk, the Group is exposed to, is mitigated by an adequate amount of margin money.

Industry Analysis

As on 31st March 2024

(₹ Crore)

Particulars	Infrastructure	Financial and Insurance	Government	IT Services	Manufacturing	Others	Total
1 Financial Assets at FVTOCI							
Policyholders							
Debt	382.81	4,154.21	-	174.81	270.74	30.66	5,013.23
Government Securities	-	-	4,989.94	82.73	-	26.04	5,098.71
Others	-	109.89	221.79	-	-	-	331.68
Shareholders							
Debt	359.62	1,906.91	-	63.06	175.68	10.62	2,515.89
Equity	-	30.77	-	-	-	-	30.77
Government Securities	-	-	1,244.62	20.96	-	26.04	1,291.62
Others	-	10.67	15.86	-	-	-	26.53
2 Financial Assets at FVTPL							
Policyholders							
Debt	1,037.43	4,819.99	-	170.81	754.82	31.09	6,814.14
Equity	3,141.31	5,962.65	-	3,141.99	8,127.41	1,103.90	21,477.26
Government Securities	-	-	10,016.32	-	-	-	10,016.32
Mutual Fund Units	-	590.47	-	-	-	-	590.47
Others	-	340.03	603.05	-	-	66.55	1,009.63
Shareholders							
Debt	1.54	40.18	-	-	-	2.50	44.22
Equity	-	74.55	-	-	-	-	74.55
Government Securities	-	-	7.80	-	-	-	7.80
Mutual Fund Units	-	9.60	-	-	-	-	9.60
3 Financial Assets at Amortised Cost							
Policyholders							
Debt	1,552.25	6,046.86	-	97.78	216.64	20.29	7,933.82
Government Securities	-	-	24,055.80	55.57	-	-	24,111.37
Others	-	-	260.68	-	-	-	260.68
Total Credit Risk Exposure	6,474.96	24,096.78	41,415.86	3,807.71	9,545.29	1,317.69	86,658.29



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

As on 31st March 2023

(₹ Crore)

Particulars	Infrastructure	Financial and Insurance	Government	IT Services	Manufacturing	Others	Total
1 Financial Assets at FVTOCI							
Policyholders							
Debt	325.81	3,745.19	-	56.77	176.70	15.71	4,320.18
Government Securities	-	-	4,506.13	86.31	-	26.23	4,618.67
Others	-	-	94.48	-	-	-	94.48
Shareholders							
Debt	287.80	1,320.37	-	42.09	207.03	10.71	1,868.00
Equity	-	76.16	-	-	-	-	76.16
Government Securities	-	-	1,171.75	20.66	-	26.22	1,218.63
Others	-	-	3.49	-	-	-	3.49
2 Financial Assets at FVTPL							
Policyholders							
Debt	1,064.24	5,026.67	-	158.79	658.49	31.41	6,939.60
Equity	1,902.21	4,837.12	-	2,237.63	7,040.75	522.89	16,540.60
Government Securities	-	-	7,987.30	-	-	-	7,987.30
Mutual Fund Units	-	337.79	-	-	-	-	337.79
Others	-	696.12	788.88	-	-	(39.81)	1,445.19
Shareholders							
Debt	1.54	40.36	8.20	-	-	2.51	52.61
Equity	-	82.75	-	-	-	-	82.75
Mutual Fund Units	-	1.27	-	-	-	-	1.27
3 Financial Assets at Amortised Cost							
Policyholders							
Debt	1,480.30	5,373.20	-	42.32	170.52	20.28	7,086.62
Government Securities	-	-	17,596.32	55.56	-	-	17,651.88
Others	-	10.29	417.05	-	-	-	427.34
Total Credit Risk Exposure	5,061.90	21,547.29	32,573.60	2,700.13	8,253.49	616.15	70,752.56

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Credit Exposure by Credit Rating

As on 31st March 2024

(₹ Crore)

Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
1 Financial Assets at FVTOCI								
Policyholders								
Debt	-	-	4,197.72	573.83	-	241.68	-	5,013.23
Government Securities	-	4,989.94	108.77	-	-	-	-	5,098.71
Others	67.77	221.78	42.13	-	-	-	-	331.68
Shareholders								
Debt	-	-	1,887.74	287.88	51.86	269.10	19.31	2,515.89
Equity	30.77	-	-	-	-	-	-	30.77
Government Securities	-	1,244.62	47.00	-	-	-	-	1,291.62
Others	10.67	15.86	-	-	-	-	-	26.53
2 Financial Assets at FVTPL								
Policyholders								
Debt	-	-	5,946.79	480.99	15.57	370.79	-	6,814.14
Equity	20,868.04	-	343.44	244.98	-	20.80	-	21,477.26
Government Securities	-	10,016.32	-	-	-	-	-	10,016.32
Mutual Fund Units	590.47	-	-	-	-	-	-	590.47
Others	78.90	603.05	261.13	-	-	-	66.55	1,009.63
Shareholders								
Debt	-	-	44.22	-	-	-	-	44.22
Equity	-	-	-	58.96	-	15.59	-	74.55
Government Securities	-	7.80	-	-	-	-	-	7.80
Mutual Fund Units	-	-	3.13	-	-	-	6.47	9.60
3 Financial Assets at Amortised Cost								
Policyholders								
Debt	-	-	7,430.22	240.84	104.80	134.04	23.92	7,933.82
Government Securities	-	24,055.80	55.57	-	-	-	-	24,111.37
Others	-	260.68	-	-	-	-	-	260.68
Total Credit Risk Exposure	21,646.62	41,415.85	20,367.86	1,887.48	172.23	1,052.00	116.25	86,658.29



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

As on 31st March 2023

(₹ Crore)

Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
1 Financial Assets at FVTOCI								
Policyholders								
Debt	-	-	3,915.17	210.99	-	194.02	-	4,320.18
Government Securities	-	4,506.13	112.54	-	-	-	-	4,618.67
Others	-	94.48	-	-	-	-	-	94.48
Shareholders								
Debt	-	-	1,363.38	132.33	47.50	300.50	24.29	1,868.00
Equity	76.16	-	-	-	-	-	-	76.16
Government Securities	-	1,171.75	46.88	-	-	-	-	1,218.63
Others	-	3.49	-	-	-	-	-	3.49
2 Financial Assets at FVTPL								
Policyholders								
Debt	-	-	6,186.82	454.95	-	297.83	-	6,939.60
Equity	15,910.12	-	374.86	209.70	-	45.92	-	16,540.60
Government Securities	-	7,987.30	-	-	-	-	-	7,987.30
Mutual Fund Units	337.79	-	-	-	-	-	-	337.79
Others	170.81	788.88	525.31	-	-	-	(39.81)	1,445.19
Shareholders								
Debt	-	8.20	44.41	-	-	-	-	52.61
Equity	-	-	-	51.72	-	31.03	-	82.75
Mutual Fund Units	-	-	-	-	-	-	1.27	1.27
3 Financial Assets at Amortised Cost								
Policyholders								
Debt	-	-	6,643.54	163.66	106.63	148.96	23.83	7,086.62
Government Securities	-	17,596.32	55.56	-	-	-	-	17,651.88
Others	10.29	417.05	-	-	-	-	-	427.34
Total Credit Risk Exposure	16,505.17	32,573.60	19,268.47	1,223.35	154.13	1,018.26	9.58	70,752.56

It is the Group's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables the Management to focus on the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories, and are derived in accordance with the Group's rating policy. The attributable risk ratings are assessed and updated regularly.

The Group manages its product mix to ensure that there is no significant concentration of credit risk.

Expected Credit Loss

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortised cost, and
- Financial assets (debt) that are measured as at FVTOCI.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

ECL has been calculated on Non-ULIP portfolio as ULIP portfolio is mark-to-market. For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk, since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

Loss Given Default (LGD) of 75% has been assumed across all securities (maximum as per RBI directives).

The credit ratings provided by the external rating agencies has been considered while assigning PD for each individual company. The PD for each rating category is as under:

Credit Rating	Default Rate (%)
Gsec	0
State	0
AAA	0.03
AAA (so)	0.03
AA	0.5
AA (so)	0.5
AA+	0.5
A+	0.74
AA-	0.74

ECL allowance (or reversal) recognised during the year is recognised as an expense/income in the Statement of Profit and Loss.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

ECL Allowance computed, basis above, during the year under consideration is as follows:

Movement of Allowances	Financial Assets
As at 1st April 2022	10.15
Provided during the Year	3.11
Amounts Written Off	(0.79)
As at 31st March 2023	12.47
Provided during the Year	3.92
Amounts Written Off	(0.95)
As at 31st March 2024	15.44

Liquidity Risk

Liquidity risk is the possibility that the Group will not be able to fund all cash outflow commitments as they fall due. The Group's primary funding obligations arise in connection with the payment of policyholder benefits. Sources of available cash flow include general fund premiums and investment related inflows (such as maturities, principal repayments, investment income and proceeds of asset sales).

An asset-liability mismatch occurs when the financial terms of the Group's assets and liabilities do not correspond. These can lead to non-payment/deferment of claims, expenses, etc. Through effective cash management and capital planning, the Group ensures that it is properly funded and maintain adequate liquidity to meet obligations. Based on the Group's historical cash flows and liquidity management processes, we believe that the cash flows from our operating activities will continue to provide sufficient liquidity for us to satisfy debt service obligations and to pay other expenses as they fall due. A governance structure, in the form of ALM Committee and well defined Asset-Liability Management framework, requires periodic monitoring of the Asset/Liability position of the Group. Insurance Business's asset-liability management techniques aim to manage the volume, mix, maturity, rate sensitivity, quality and liquidity of assets and liabilities, as a whole, so as to attain a pre-determined acceptable risk/reward ratio. Further, the NAV guarantee products use proprietary monitoring mechanisms to ensure adequate ALM.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Maturity Profiles

For insurance contracts liabilities and reinsurance assets, maturity profiles are determined based on estimated timing of net cash outflows from the recognised insurance liabilities. Unearned premiums have been excluded from the analysis as they are not contractual obligations. Unit-linked liabilities are repayable or transferable on demand, and are included in the up-to-a-year column. Repayments, which are subject to notice, are treated as if notice were to be given immediately.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow.

The Group manages its product mix to ensure that there is no significant concentration of credit risk.

The table below summarises the expected settlement of Financial Liabilities.

Maturity Analysis on Expected Maturity Basis

As on 31st March 2024

							(₹ Crore)
Particulars	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Financial Liabilities							
Other Financial Liabilities	1,606.50	-	-	-	-	-	1,606.50
Lease Liabilities	9.93	45.45	37.92	33.62	54.11	51.36	232.39
Life Insurance Contract Liabilities and Restricted Surplus	1,486.87	1,345.42	6,121.78	4,020.11	6,658.39	65,755.90	85,388.47
Subordinated Liabilities	-	-	-	-	-	749.69	749.69
Trade and Other Payables	599.10	-	-	-	-	-	599.10

As on 31st March 2023

							(₹ Crore)
Particulars	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Financial Liabilities							
Other Financial Liabilities	1,424.96	-	-	-	-	2.96	1,427.92
Lease Liabilities	6.94	33.51	36.69	22.77	28.41	29.15	157.47
Life Insurance Contract Liabilities and Restricted Surplus	1,054.87	1,024.29	7,583.95	2,891.61	3,713.02	52,822.19	69,089.93
Subordinated Liabilities	-	-	-	-	-	499.96	499.96
Trade and Other Payables	562.17	-	-	-	-	-	562.17

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to financial and capital market risks – the risk that the fair value or future cash flows of an insurance contract or financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks.

Market risk governance practices are in place, including independent monitoring, review and reporting to the Senior Management and the Risk Management Committee. The Group has investment policy in place, which deals with guidelines for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The Group issues unit-linked investment policies in a number of its operations. In the unit-linked business, the policyholder bears the investment risk on the assets held in the unit-linked funds as the policy benefits are directly linked to the value of the assets in the fund. The Group's exposure to market risk on this business is limited to the extent that income arising from asset management charges is based on the value of assets in the fund.

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. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables have not changed from the previous period.

(₹ Crore)

Market Indices	Change in Interest Rate	As at 31 st March 2024		As at 31 st March 2023	
		Impact on Profit Before Tax*	Impact on Equity	Impact on Profit Before Tax*	Impact on Equity
Interest Rate	25 Basis Point Down	-	179.78	-	135.39
	50 Basis Point Down	-	368.09	-	274.47
	25 Basis Point Up	-	(175.10)	-	(131.84)
	50 Basis Point Up	-	(345.13)	-	(260.26)

* Impact only on Interest Rate on FVTOCI instrument. Hence, no impact on Profit Before Tax considered.

Equity Price Risk

Equity market risk is the potential for financial loss arising from declines or volatility in equity market prices. The Group is exposed to equity risk from a number of sources. A portion of our exposure to equity market risk arises in connection with benefit guarantees on contracts. The cost of providing for these guarantees is uncertain, and will depend upon a number of factors, including general capital market conditions, underlying fund performance, policyholder behaviour, and mortality experience, which may result in negative impacts on our net income and capital.

The Group has no significant concentration of equity price risk.

The analysis below is performed for reasonably possible movements in market indices, i.e., BSE 100 with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of financial assets and liabilities, whose fair values are recorded in the Statement of Profit and Loss) and equity (that reflects changes in fair value of FVTPL financial assets). The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

(₹ Crore)

Market Indices	Change in Variables	As at 31 st March 2024		As at 31 st March 2023	
		Impact on Profit Before Tax	Impact on Equity	Impact on Profit Before Tax	Impact on Equity
BSE 100	10% Rise	337.57	315.94	225.76	200.43
	10% Fall	(337.57)	(315.94)	(225.76)	(200.43)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Operational Risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Group cannot expect to eliminate all operational risks but by initiating a rigorous control framework, and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks, such as changes in environment, technology and the industry, are monitored through the Group's strategic planning and budgeting process.

Operational risks are governed through Operational Risk Management Policy. The Group maintains an operational loss database to track and mitigate risks resulting in financial losses. The Group has also initiated a Risk Control and Self Assessment process to embed the control testing as a part of day-to-day operations. Additionally, there is process to take confirmation from stakeholders on implementation of Risk Policies. To control operational risk, operating and reporting processes are reviewed and updated regularly. Ongoing training through internal and external programmes is designed to equip staff at all levels to meet the demands of their respective positions.

The Group has a robust Business Continuity Plan and Information Technology Disaster Recovery Plan in place to manage any business/technology interruption risk. Business Continuity Management System is certified against the global standard ISO 22301. It also has Business Continuity Policy to have a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within the agreed timeframe, thereby complying with various regulatory requirements and minimising the potential business impact to the Group.

Information Security Risk is the risk arising from IT systems (data leakage, application vulnerabilities, lack of segregation of duties and access control), human error, etc., which can cause damage to finances or reputation. Information Security Risks are governed through Information Security Management System, aligned and certified against ISO 27001:2013, which is a global benchmark. The Group has a comprehensive Information Security Policy designed to comply with ISO 27001:2013, privacy and/or data protection legislations as specified in Indian Information Technology Act, 2008, and Notification dated 11th April 2011, on protection of sensitive personal information, and it provides direction to Information Security Staff, Management and Employees regarding their roles and responsibilities towards Information Security.

Fraud management is handled through an internal committee, and is governed by the Fraud Reporting and Investigation Policy.

Nature and Terms of Outstanding Derivative Contracts

a) Forward Rate Agreements

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
i) Total notional principal amount of forward rate agreement undertaken during the year (Instrument-wise)		
8.13% GOI 2045 (MD 22/06/2045)	-	136.84
8.30% GOI 2040 (MD 02/07/2040)	158.50	187.04
8.30% GOI 2042 (MD 31/12/2042)	247.85	482.23
8.33% GOI 2036 (MD 07/06/2036)	77.25	34.82
8.83% GOI 2041 (MD 12/12/2041)	44.84	162.31
9.23% GOI 2043 (MD 23/12/2043)	79.79	245.60
8.17% GOI 2044 (MD 01/12/2044)	606.94	200.42
7.06% GOI 2046 (MD 10/10/2046)	-	113.36
6.99% GOI 2051 (MD 15/12/2051)	-	73.71
6.67% GOI 2035 (MD 15/12/2035)	-	13.40

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
7.54% GOI 2036 (MD 23/05/2036)	962.16	877.64
6.95% GOI 2061 (MD 16/12/2061)	-	17.40
7.40% GOI 2062 (MD 19/09/2062)	1,505.60	438.00
7.41% GOI 2036 (MD 19/12/2036)	208.04	465.27
7.36% GOI 2052 (MD 12/09/2052)	1,985.47	506.01
6.83% GOI (MD 19/01/2039)	169.17	-
7.72% GOI 2049 (MD 15/06/2049)	135.12	-
7.25% GOI 2063 (MD 12/06/2063)	3,461.68	-
7.30% GOI 2053 (MD 19/06/2053)	1,966.97	-
7.26% GOI 2033 (MD 06/02/2033)	70.46	-
ii) Total notional principal amount of forward rate agreement outstanding as on end of the year (Instrument-wise)		
7.40% GOI 2035 (MD 09/09/2035)	36.17	58.86
7.62% GOI 2039 (MD 15/09/2039)	170.15	289.52
7.73% GOI 2034 (MD 19/12/2034)	111.87	141.66
7.95% GOI 2032 (MD 28/08/2032)	126.83	178.68
8.13% GOI 2045 (MD 22/06/2045)	253.21	293.45
8.24% GOI 2033 (MD 10/11/2033)	28.07	90.61
8.28% GOI 2032 (MD 15/02/2032)	50.21	50.21
8.30% GOI 2040 (MD 02/07/2040)	411.85	264.68
8.30% GOI 2042 (MD 31/12/2042)	836.71	654.73
8.32% GOI 2032 (MD 02/08/2032)	95.15	135.85
8.33% GOI 2036 (MD 07/06/2036)	370.59	441.95
8.83% GOI 2041 (MD 12/12/2041)	298.77	382.24
9.20% GOI 2030 (MD 30/09/2030)	54.73	170.08
9.23% GOI 2043 (MD 23/12/2043)	397.38	337.19
8.17% GOI 2044 (MD 01/12/2044)	917.20	310.26
7.06% GOI 2046 (MD 10/10/2046)	214.43	214.43
7.63% GOI 2059 (MD 17/06/2059)	29.40	35.66
7.72% GOI 2055 (MD 26/10/2055)	93.15	123.27
6.67% GOI 2050 (MD 17/12/2050)	136.40	156.55
6.76% GOI 2061 (MD 22/02/2061)	-	32.51
6.64% GOI 2035 (MD 16/06/2035)	209.48	273.49
6.99% GOI 2051 (MD 15/12/2051)	83.34	129.65
7.50% GOI 2034 (MD 10/08/2034)	-	44.01
6.67% GOI 2035 (MD 15/12/2035)	13.40	51.62
6.95% GOI 2061 (MD 16/12/2061)	17.40	17.40
7.36% GOI 2052 (MD 12/09/2052)	1,710.03	506.01
7.54% GOI 2036 (MD 23/05/2036)	1,127.25	696.90
7.40% GOI 2062 (MD 19/09/2062)	1,905.66	438.00



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
7.41% GOI 2036 (MD 19/12/2036)	422.52	465.27
7.25% GOI 2063 (MD 12/06/2063)	3,461.68	-
7.30% GOI 2053 (MD 19/06/2053)	1,965.46	-
7.26% GOI 2033 (MD 06/02/2033)	70.46	-
7.72% GOI 2049 (MD 15/06/2049)	135.12	-
6.83% GOI (MD 19/01/2039)	169.17	-
iii) Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet Date	-	-
iv) Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet Date	-	-
v) Loss which would be incurred if counterparty failed to fulfil their obligation under agreements	-	-

b) The fair value mark-to-market (MTM) gains or losses in respect of Forward Rate Agreement outstanding as at the Balance Sheet Date is stated below:

(₹ Crore)

Hedging Instrument	As at 31 st March 2024	As at 31 st March 2023
7.40% GOI 2035 (MD 09/09/2035)	1.14	0.59
7.62% GOI 2039 (MD 15/09/2039)	1.39	(8.14)
7.73% GOI 2034 (MD 19/12/2034)	1.32	(1.82)
7.95% GOI 2032 (MD 28/08/2032)	6.45	3.85
8.13% GOI 2045 (MD 22/06/2045)	8.12	(1.20)
8.24% GOI 2033 (MD 10/11/2033)	1.16	2.84
8.28% GOI 2032 (MD 15/02/2032)	3.90	2.61
8.30% GOI 2040 (MD 02/07/2040)	10.76	(1.59)
8.30% GOI 2042 (MD 31/12/2042)	20.24	(2.97)
8.32% GOI 2032 (MD 02/08/2032)	7.83	4.15
8.33% GOI 2036 (MD 07/06/2036)	8.25	(4.61)
8.83% GOI 2041 (MD 12/12/2041)	11.15	4.58
8.97% GOI 2030 (MD 05/12/2030)	₹	-
9.20% GOI 2030 (MD 30/09/2030)	1.20	1.97
9.23% GOI 2043 (MD 23/12/2043)	14.07	2.29
8.17% GOI 2044 (MD 01/12/2044)	20.41	(1.94)
7.06% GOI 2046 (MD 10/10/2046)	6.36	(0.52)
7.63% GOI 2059 (MD 17/06/2059)	0.89	(0.80)
7.72% GOI 2055 (MD 26/10/2055)	4.60	0.01
6.67% GOI 2050 (MD 17/12/2050)	3.64	(1.62)
6.76% GOI 2061 (MD 22/02/2061)	₹	0.50
6.64% GOI 2035 (MD 16/06/2035)	1.66	(4.95)
6.99% GOI 2051 (MD 15/12/2051)	3.54	2.04
7.50% GOI 2034 (MD 10/08/2034)	₹	(0.01)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Hedging Instrument	As at 31 st March 2024	As at 31 st March 2023
6.95% GOI 2061 (MD 16/12/2061)	0.94	0.32
7.40% GOI 2062 (MD 19/09/2062)	30.45	0.34
7.41% GOI 2036 (MD 19/12/2036)	8.49	(0.17)
7.36% GOI 2052 (MD 12/09/2052)	28.16	4.96
7.54% GOI 2036 (MD 23/05/2036)	17.42	4.02
6.67% GOI 2035 (MD 15/12/2035)	0.22	0.22
7.25% GOI 2063 (MD 12/06/2063)	61.88	-
7.30% GOI 2053 (MD 19/06/2053)	47.68	-
7.26% GOI 2033 (MD 06/02/2033)	1.31	-
7.72% GOI 2049 (MD 15/06/2049)	1.72	-
6.83% GOI (MD 19/01/2039)	1.31	-

c) Movement in Hedge Reserve

(₹ Crore)

Hedge Reserve Account	As at 31 st March 2024		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	(56.81)	(81.25)	(138.06)
ii) Add: Changes in the Fair Value during the year	(37.59)	(403.78)	(441.37)
iii) Less: Amounts Reclassified to Revenue/Profit and Loss Account	(7.06)	-	(7.06)
iv) Balance at the end of the year	(87.34)	(485.03)	(572.37)

(₹ Crore)

Hedge Reserve Account	As at 31 st March 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	(67.14)	(25.85)	(92.99)
ii) Add: Changes in the Fair Value during the year	5.03	(55.40)	(50.37)
iii) Less: Amounts Reclassified to Revenue/Profit and Loss Account	(5.30)	-	(5.30)
iv) Balance at the end of the year	(56.81)	(81.25)	(138.06)

Particulars	As at 31 st March 2024	As at 31 st March 2023
i) Name of the Counterparty	HSBC Bank, J.P. Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank, DBS, Kotak Bank, ICICI Bank and Axis Bank	HSBC Bank/J.P.Morgan/Citi Bank/Credit Suisse/HDFC Bank
ii) Hedge Designation	Cash Flow Hedge	Cash Flow Hedge
iii) Likely impact of one percentage change in interest rate (100*PV01)		
a) Underlying being Hedged	Sovereign Bonds	Sovereign Bonds
b) Derivative	Forward Rate Agreement	Forward Rate Agreement



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Capital Management and Objectives and Policies

The Group has established the following capital management objectives, policies and approach to manage the risks that affect its capital position:

- i) To maintain the required level of stability of the Group, thereby providing a degree of security to policyholders
- ii) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders
- iii) To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- iv) To align the profile of assets and liabilities taking account of risks inherent in the business
- v) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders
- vi) To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value

The Group has met all of these requirements throughout the financial year. In reporting, financial strength, capital and solvency are measured using the rules prescribed by the Insurance Regulatory and Development Authority of India ("IRDAI"). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written. The Group's capital management policy for its insurance business is to hold sufficient capital to cover the statutory requirements based on the IRDAI directives.

Regulatory Framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Group is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Group are subject to regulatory requirements within the jurisdictions in which it operates.

NOTE: 55 RISK RELATED TO NBFC AND HFC BUSINESS

Credit Risk

Credit risk is the risk that the NBFC and HFC will incur a loss, because its customers or counterparties fail to discharge their contractual obligations. The NBFC and HFC manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The NBFC and HFC has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the NBFC and HFC to assess the potential loss, as a result of the risks to which it is exposed and take corrective action.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Analysis of maximum exposure to credit risk and collateral and other credit enhancements

(₹ Crore)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
	Amortised Cost	Amortised Cost
i) Secured by Tangible Assets	83,334.06	60,950.49
ii) Secured by Intangible Assets	509.53	-
iii) Covered by Bank/Government Guarantees	4,960.39	3,233.04
iv) Secured by Book Debts, Inventories, Fixed Deposits and Other Working Capital Items	5,614.69	829.38
v) Unsecured	29,143.92	29,247.90
Total	1,23,562.59	94,260.81

The NBFC and HFC, by way of loan sanction letter and other loan securing documents, agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted could be in the form of:

- Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies
- Current Assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- Fixed Assets (in the form of immovable properties – Real Estate, Plant and Machinery, Equipment)
- Third-Party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third Party)
- Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- Assignment of borrower's rights and interests under agreements with third parties.

In addition, we also stipulate escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans. Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The processes include verification of the title to the collateral offered and valuation by technical experts where warranted. We accept as collateral only securities of good quality, and have in place legally effective and enforceable documentation.

For guarantees taken, the guarantor creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place, which are reviewed at intervals as appropriate to the type of collateral.

NBFC and HFC recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the Company adopts to underwrite credit exposures.

The Company is required to provide for impairment allowance basis expected credit loss ("ECL"), which is calculated using empirical portfolio performance and adjusted for forward-looking macro-economic factors, as prescribed by Ind AS. The overall provisioning, made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

In the process of determining the PD, the macro-economic impact is intrinsically built in our current approach. The overall performance, through the life cycle of the loan, considers the impact of macro-economic parameters like GDP, unemployment factor or once in events like de-monetisation, etc. Most of the portfolios have seen one to two complete economic cycles and,



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

hence, the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry Rating Module (sourced from CRISIL under agreement) recognises factors like demand prediction, supply side glut/constraints, impact of imports and exports, and the government policies, which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Financial Risk Management and its Policies for NBFC and HFC Businesses

Liquidity Risk

Liquidity risk is defined as the risk that the NBFC and HFC will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the NBFC and HFC 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.

NBFC and HFC manages its liquidity requirement by analysing the maturity pattern of NBFC and HFC's cash flows of financial assets and financial liabilities. The Asset-Liability Management of the NBFC and HFC is periodically reviewed by its Risk Management Committee.

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The table below summarises the maturity profile of the undiscounted cash flows of the NBFC and HFC's financial liabilities as at 31st March 2024 and 31st March 2023.

Financial Liabilities

As at 31st March 2024

(₹ Crore)			
Particulars	Within 12 Months	After 12 Months	Total
Trade and Other Payables	638.59	-	638.59
Other Financial Liabilities including Lease Liabilities and Derivative Financial Instruments	2,903.80	416.16	3,319.96
Debt Securities	15,417.98	26,696.07	42,114.05
Borrowings other than Debt Securities	29,417.99	47,784.32	77,202.32
Subordinated Liabilities	348.02	4,022.05	4,370.07
Total	48,726.39	78,918.61	1,27,644.99

As at 31st March 2023

(₹ Crore)			
Particulars	Within 12 Months	After 12 Months	Total
Trade and Other Payables	702.72	-	702.72
Other Financial Liabilities	829.81	240.53	1,070.34
Debt Securities	11,478.31	19,426.77	30,905.08
Borrowings other than Debt Securities	19,854.27	40,975.55	60,829.82
Subordinated Liabilities	306.23	3,459.33	3,765.56
Total	33,171.34	64,102.18	97,273.53

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Operational and Business Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework, and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

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. In the case of the Group, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2024 and 31st March 2023.

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 Interest rate sensitivity statement is placed before Asset-Liability Committee ("ALCO"). The statement captures the duration of rate sensitive assets and liabilities of the Company. The impact of change in interest rate on the earning of the Company is also presented to ALCO.

To mitigate the interest rate risk, ALM policy of the respective companies stipulates interest rate sensitivity gap of all the time buckets.

Interest Rate Sensitivity of NBFC Business

(₹ Crore)					
Market Indices	Change in Interest Rate	31 st March 2024		31 st March 2023	
		Impact on Profit Before Tax	Impact on Equity	Impact on Profit Before Tax	Impact on Equity
Interest Rate	25 Basis Point Down	63.45	47.18	111.96	83.23
	50 Basis Point Down	126.91	94.35	223.93	166.46
	25 Basis Point Up	(63.46)	(47.18)	(111.96)	(83.23)
	50 Basis Point Up	(126.91)	(94.36)	(223.93)	(166.46)

(₹ Crore)		
Particulars	31 st March 2024	31 st March 2023
Variable Rate Borrowings	25,382.62	18,825.99
Fixed Rate Borrowings	65,981.52	50,245.05
Total Borrowings	91,364.14	69,071.04

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of fluctuation in foreign exchange rates primarily relates to its External Commercial Borrowings. The Group uses derivative instruments like cross currency swaps to hedge exposure to foreign currency risk.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

The Group has taken foreign currency borrowings. For managing the foreign currency risk and interest rate risk, arising from changes in applicable benchmark on such borrowings, the Group has entered into Cross Currency Swap (CCS) for loan liability covering the entire tenor of the loan along with the interest payable.

Capital Management Objectives and Policies

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure, and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a capital adequacy ratio, which is weighted-assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, the Group, being a Non-Banking Finance group, has to maintain 15% of capital adequacy ratio of NBFC business and 15% of capital adequacy ratio of HFC business.

The actual Capital Adequacy Ratio is as under:

Particulars	31 st March 2024	31 st March 2023
Capital Adequacy Ratio of Aditya Birla Capital Limited (Core Investment Company)	111.04%	99.76%
Capital Adequacy Ratio of NBFC	16.24%	16.38%
Capital Adequacy Ratio of HFC	16.79%	21.58%
Capital Adequacy Ratio of ARC	40.70%	33.39%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2024 and 31st March 2023.

Risk Related to Other Business

Credit Risk of Other Companies

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily trade receivables, and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions. The Group has no significant concentration of credit risk with any counterparty.

The carrying amount of financial assets represents the maximum credit risk exposure.

(₹ Crore)

As at 31 st March 2024	Neither Past Due Nor Impaired	Past Due But Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Days	91 to 120 Days	> 120 Days	
Trade Receivables	0.07	123.73	12.05	0.52	0.89	6.64	143.90

(₹ Crore)

As at 31 st March 2023	Neither Past Due Nor Impaired	Past Due But Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Days	91 to 120 Days	> 120 Days	
Trade Receivables	6.97	37.54	5.86	0.19	0.58	2.92	54.06

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Movement of ECL	31 st March 2024	31 st March 2023
Opening	10.46	10.61
Provided during the year	0.40	1.49
Amounts Written Off	(1.98)	(1.64)
Closing	8.88	10.46

Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with banks/financial institutions is generally low, as the said deposits have been made with banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit risk on derivative instruments is generally low, as the Group enters into the Derivative Contracts with the reputed banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparties. Investments primarily include investments in units of quoted Mutual Funds, quoted Bonds, Non-Convertible Debentures issued by Government/Semi-Government Agencies/PSU Bonds/High Investment Grade Corporates, etc. These mutual funds and counterparties have low credit risk.

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories, and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

Financial Risk Management and its Policies for Other Businesses

Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of undrawn credit facilities to meet obligations, when due. The Group's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management. The Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity Profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ Crore)

As at 31 st March 2024	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Debt Securities	-	1,283.97	56.62	152.72	-	1,493.31
Borrowings other than Debt Securities	51.22	17.79	33.69	40.19	-	142.89
Subordinated Liabilities	-	-	-	-	11.00	11.00
Trade and Other Payables	-	207.44	8.56	0.23	-	216.23
Other Financial Liabilities	486.26	67.03	57.68	6.75	-	617.73
Total	537.48	1,576.23	156.55	199.89	11.00	2,481.16



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

As at 31 st March 2023	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Debt Securities	-	791.52	94.72	171.42	-	1,057.66
Borrowings other than Debt Securities	30.57	2.94	33.14	61.28	-	127.93
Subordinated Liabilities	-	-	-	-	11.21	11.21
Trade and Other Payables	-	126.07	15.68	-	-	141.75
Other Financial Liabilities	278.04	4.42	63.65	15.41	-	361.52
Total	308.61	924.95	207.19	248.11	11.21	1,700.07

Capital Management Objectives and Policies

The primary objective of the Group's capital management is to maximise the shareholder value, comply to the regulatory requirements and maintain an optimal capital structure to reduce the cost of capital to the Company. The Holding Company continues its policy of a conservative capital structure, which has ensured that it retains the highest credit rating.

NOTE: 56 EXPECTED CREDIT LOSS ("ECL") RISK

Impairment Assessment

The credit loss provisioning approach is based on ECL model. This model ensures (a) timely recognition of ECL, (b) assessment of significant increase in credit risk, which will provide better disclosure, and (c) ascertainment of better business ratios.

- The references below show where the Group's impairment assessment, and measurement approach is set out in this report. It should be read in conjunction with the Summary of Material Accounting Policies.
- An explanation of the Group's internal grading system (Note 'Definition of Default' below).
- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default. (Note 'The Group's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' is given below.)
- When the Group considers there has been a significant increase in credit risk of an exposure. (Note 'Significant Increase in Credit Risk' is given below.)
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis. (Note 'Grouping Financial Assets Measured on a collective Basis, is given below.)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets. (Note 'Probability of Default', 'Exposure at Default' and 'Loss Given Default' is given below.)

Definition of Default

The Group considers a financial instrument defaulted and, therefore, Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and, therefore, assessed as Stage 3 for ECL calculations, or whether Stage 2 is appropriate. Such events include:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

- d) It is becoming probable that the borrower will enter bankruptcy or other financial re-organisation; or
- e) The disappearance of an active market for a security because of financial difficulties, and the customer has delay in his repayments over a month.

The Group's Internal Rating and PD Estimation Process

- (a) Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework, and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents, that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly, we also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customers/portfolio pools (eligible customers for Ratings) and used extensively in internal decision making.
- (b) It is further specified in the policy that internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per ABFL's internal credit rating model or valid/live external rating.

Probability of Default ("PD")

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1). For Stage 2 – it is defined as significant increase in credit risk, and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e., the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default ("LGD")

LGD is usually shown as the percentage of Exposure at Default that the lender might lose, in case the borrower defaults. It depends, among others, on the type of collateral, its value, borrower rating and the expected proceeds from the sale (e.g., sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant Increase in Credit Risk

- a) There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
- b) Further, for large borrowers after assessing the following risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk.
 - i. Industry Risk
 - ii. Business Risk
 - iii. Management Risk
 - iv. Financial Risk
 - v. Banking Conduct and Facility Level Conduct
- c) Significant increase in credit risk is also gauged through Credit Rating. Credit Rating is an opinion of capacity on borrower to meet its financial obligations to the depositor or bondholder (i.e., lender of money) on a particular issue or type of instrument (i.e., a domestic or foreign currency; short-term or medium-term or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuer's ability and willingness to repay both interest and principal over the period of the rated instrument, i.e., rating signifies the risk of default of the borrower that is rated.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Grouping Financial Assets Measured on a Collective Basis

The Group calculates ECL either on a collective or an individual basis.

Asset classes where the Group calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Group calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates, and therefore, these loans are generally measured individually as each of these exposures has unique characteristics and structuring. For retail exposures, and exposures, which can be clubbed in homogeneous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile, etc.

Analysis of Risk Concentration

Concentration analyses are presented for portfolio pool, location, top borrower exposures, group exposures, etc. These are regularly analysed and presented for further review/action.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans of Housing Finance Business is as follows:

A Reconciliation of Gross Carrying Amount of Housing Finance Business:

	(₹ Crore)			
Particulars	Stage 1	Stage 2	Stage 3	Total
31st March 2024				
Gross Carrying Amount - Opening Balance	13,119.61	242.51	445.91	13,808.03
New Assets Originated or Purchased	8,448.01	0.27	2.75	8,451.03
Assets Derecognised or Repaid (excluding Write Offs)	(4,096.46)	(71.91)	(152.64)	(4,321.01)
Transfers to Stage 1	80.71	(62.92)	(17.79)	-
Transfers to Stage 2	(123.79)	128.01	(4.22)	-
Transfers to Stage 3	(65.77)	(40.99)	106.76	-
Amounts Written Off	(4.73)	(1.05)	(55.29)	(61.07)
Gross Carrying Amount - Closing Balance	17,357.58	193.92	325.48	17,876.98
31st March 2023				
Gross Carrying Amount - Opening Balance	11,067.05	638.44	422.94	12,128.43
New Assets Originated or Purchased	5,274.93	11.67	12.75	5,299.35
Assets Derecognised or Repaid (excluding Write Offs)	(3,369.93)	(78.73)	(115.09)	(3,563.75)
Transfers to Stage 1	403.70	(325.81)	(77.89)	-
Transfers to Stage 2	(124.32)	135.24	(10.92)	-
Transfers to Stage 3	(128.10)	(136.40)	264.50	-
Amounts Written Off	(3.72)	(1.90)	(50.38)	(56.00)
Gross Carrying Amount - Closing Balance	13,119.61	242.51	445.91	13,808.03

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

B Reconciliation of ECL Balance for Housing Finance Business is given below:

(₹ Crore)				
Particulars	Stage 1	Stage 2	Stage 3	Total
31st March 2024				
ECL Allowance - Opening Balance	87.43	16.04	147.64	251.11
New Assets Originated or Purchased	38.46	0.05	0.94	39.45
Assets Derecognised or Repaid (excluding Write Offs)	(26.30)	(2.81)	(45.97)	(75.08)
Transfers to Stage 1	1.89	(1.44)	(0.45)	-
Transfers to Stage 2	(7.89)	8.45	(0.56)	-
Transfers to Stage 3	(24.15)	(15.78)	39.93	-
Impact on year end ECL of exposures transferred between Stages during the year	28.96	9.41	(5.87)	32.50
ECL recognised due to change in credit risk	(24.26)	1.27	(0.95)	(23.94)
Recoveries	-	-	(4.94)	(4.94)
Amounts Written Off	(0.12)	(0.06)	(19.82)	(20.00)
ECL Allowance - Closing Balance	74.02	15.13	109.95	199.10
31st March 2023				
ECL Allowance - Opening Balance	56.24	45.11	131.64	232.99
New Assets Originated or Purchased	32.38	0.94	4.60	37.92
Assets Derecognised or Repaid (excluding Write Offs)	(18.83)	(5.49)	(9.21)	(33.53)
Transfers to Stage 1	43.40	(24.26)	(19.14)	-
Transfers to Stage 2	(0.80)	3.85	(3.05)	-
Transfers to Stage 3	(0.74)	(9.41)	10.15	-
Impact on year end ECL of exposures transferred between Stages during the year	(34.02)	1.22	73.10	40.30
ECL recognised due to change in credit risk	11.42	4.26	(1.41)	14.27
Recoveries	(1.59)	(0.16)	(3.27)	(5.02)
Amounts Written Off	(0.03)	(0.02)	(35.77)	(35.82)
ECL Allowance - Closing Balance	87.43	16.04	147.64	251.11

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans of NBFC Business is as follows:

A Reconciliation of Gross Carrying Amount of NBFC Business:

(₹ Crore)				
Particulars	Stage 1	Stage 2	Stage 3	Total
31st March 2024				
Gross Carrying Amount - Opening Balance	75,757.85	2,187.35	2,507.09	80,452.29
New Assets Originated or Purchased	60,348.57	504.10	289.05	61,141.72
Assets Derecognised or Repaid (excluding Write Offs)	(33,274.62)	(522.08)	(338.83)	(34,135.53)
Transfers to Stage 1	691.98	(659.46)	(32.52)	-
Transfers to Stage 2	(1,051.38)	1,070.71	(19.33)	-
Transfers to Stage 3	(536.56)	(257.48)	794.04	-
Amounts Written Off	(994.91)	(228.90)	(550.43)	(1,774.24)
Gross Carrying Amount - Closing Balance	1,00,940.93	2,094.24	2,649.07	1,05,684.24



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)				
Particulars	Stage 1	Stage 2	Stage 3	Total
31st March 2023				
Gross Carrying Amount - Opening Balance	49,770.28	2,955.75	1,956.03	54,682.06
New Assets Originated or Purchased	47,293.49	354.98	315.49	47,963.96
Assets Derecognised or Repaid (excluding Write Offs)	(20,744.66)	(586.20)	(399.43)	(21,730.29)
Transfers to Stage 1	1,219.54	(1,160.05)	(59.49)	-
Transfers to Stage 2	(1,080.95)	1,086.92	(5.97)	-
Transfers to Stage 3	(474.93)	(378.34)	853.27	-
Amounts Written Off	(224.92)	(85.71)	(152.81)	(463.44)
Gross Carrying Amount - Closing Balance	75,757.85	2,187.35	2,507.09	80,452.29

B Reconciliation of ECL Balance is given below for NBFC Business:

(₹ Crore)				
Particulars	Stage 1	Stage 2	Stage 3	Total
31st March 2024				
ECL Allowance - Opening Balance	374.67	70.66	1,157.94	1,603.27
Increase in New/Existing Assets Originated or Purchased	1,011.83	243.10	716.02	1,970.95
Assets Derecognised or Repaid (excluding Write Offs)	(24.02)	(3.01)	(0.76)	(27.79)
Transfers to Stage 1	20.60	(11.31)	(9.29)	-
Transfers to Stage 2	(6.32)	15.71	(9.39)	-
Transfers to Stage 3	(4.27)	(5.91)	10.18	-
Amounts Written Off	(994.91)	(228.90)	(542.28)	(1,766.09)
ECL Allowance - Closing Balance	377.58	80.34	1,322.42	1,780.34
31st March 2023				
ECL Allowance - Opening Balance	160.00	141.94	772.88	1,074.82
New Assets Originated or Purchased	482.51	62.18	553.49	1,098.18
Assets Derecognised or Repaid (excluding Write Offs)	(79.81)	(9.23)	(17.77)	(106.81)
Transfers to Stage 1	41.34	(27.08)	(14.26)	-
Transfers to Stage 2	(2.56)	5.02	(2.46)	-
Transfers to Stage 3	(1.88)	(16.46)	18.34	-
Amounts Written Off	(224.93)	(85.71)	(152.28)	(462.92)
ECL Allowance - Closing Balance	374.67	70.66	1,157.94	1,603.27

Stage 1 represents 'High Grade' internal rating.

Stage 2 represents 'Sub-Standard' internal rating.

Stage 3 represents 'Credit-Impaired'.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 57 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. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

(₹ Crore)

Particulars	31 st March 2024			31 st March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
I ASSETS						
(1) Financial Assets						
(a) Cash and Cash Equivalents	1,554.30	-	1,554.30	1,730.79	-	1,730.79
(b) Bank Balances other than (a) above	1,677.23	347.48	2,024.71	118.90	466.17	585.07
(c) Derivative Financial Instruments	86.68	273.47	360.15	6.01	(0.04)	5.97
(d) Trade and Other Receivables	714.22	-	714.22	411.08	-	411.08
(e) Loans	31,187.23	91,930.53	1,23,117.76	22,320.74	71,106.52	93,427.26
(f) Investments						
- Investments of Life Insurance Business						
- Investments of Life Insurance Policyholders	1,317.68	45,334.44	46,652.12	839.64	36,104.21	36,943.85
- Investments of Life Insurance Shareholders	140.67	3,860.31	4,000.98	60.50	3,242.41	3,302.91
- Other Investments	8,247.24	239.73	8,486.97	5,004.34	322.15	5,326.49
(g) Assets Held to Cover Linked Liabilities of Life Insurance Business	3,827.19	32,178.00	36,005.19	3,662.84	26,842.95	30,505.79
(h) Other Financial Assets	393.22	1,424.47	1,817.69	434.78	1,350.64	1,785.42
Sub Total	49,145.66	1,75,588.43	2,24,734.09	34,589.62	1,39,435.01	1,74,024.63
(2) Non-Financial Assets						
(a) Tax Assets (Net)	-	119.63	119.63	-	231.73	231.73
(b) Deferred Tax Assets (Net)	-	517.91	517.91	-	476.73	476.73
(c) Investment Property	-	13.94	13.94	-	14.37	14.37
(d) Property, Plant and Equipment	-	255.44	255.44	-	147.62	147.62
(e) Capital Work-in-Progress	-	9.65	9.65	-	8.62	8.62
(f) Intangible Assets Under Development	-	84.58	84.58	-	35.42	35.42
(g) Goodwill	-	554.83	554.83	-	554.83	554.83
(h) Other Intangible Assets	-	262.62	262.62	-	168.34	168.34
(i) Right-to-Use of Assets	-	565.50	565.50	-	393.58	393.58
(j) Investments in Associate and Joint Venture Companies	-	4,393.65	4,393.65	-	4,303.82	4,303.82
(k) Other Non-Financial Assets	489.59	95.96	585.55	321.94	72.42	394.36
(l) Assets Held for Sale	4.44	-	4.44	-	-	-
Sub Total	494.03	6,873.71	7,367.74	321.94	6,407.48	6,729.42
Total Assets	49,639.69	1,82,462.14	2,32,101.83	34,911.56	1,45,842.49	1,80,754.05



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	31 st March 2024			31 st March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
II LIABILITIES						
(1) Financial Liabilities						
(a) Derivative Financial Instruments	5.42	92.07	97.49	0.27	13.42	13.69
(b) Payables						
- Trade Payables						
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	30.89	-	30.89	24.97	-	24.97
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,382.19	-	1,382.19	1,381.60	-	1,381.60
(c) Debt Securities	15,783.93	21,111.62	36,895.55	11,550.97	15,693.89	27,244.86
(d) Borrowings (other than Debt Securities)	25,686.31	43,148.11	68,834.42	17,745.70	36,069.77	53,815.47
(e) Subordinated Liabilities	234.21	3,575.92	3,810.13	617.87	2,642.57	3,260.44
(f) Lease Liabilities	145.62	453.62	599.24	108.54	308.19	416.73
(g) Policyholders' Liabilities	2,832.29	82,556.17	85,388.46	2,079.16	67,010.78	69,089.94
(h) Other Financial Liabilities	5,018.61	7.81	5,026.42	2,548.77	13.97	2,562.74
Sub Total	51,119.47	1,50,945.32	2,02,064.79	36,057.85	1,21,752.59	1,57,810.44
(2) Non-Financial Liabilities						
(a) Tax Liabilities (Net)	315.56	-	315.56	185.78	-	185.78
(b) Provisions	194.74	124.28	319.02	159.58	104.46	264.04
(c) Deferred Tax Liabilities (Net)	-	478.54	478.54	-	401.54	401.54
(d) Other Non-Financial Liabilities	278.77	7.37	286.14	267.28	4.90	272.18
Sub Total	789.07	610.19	1,399.26	612.64	510.90	1,123.54
Total Liabilities	51,908.54	1,51,555.51	2,03,464.05	36,670.49	1,22,263.49	1,58,933.98

NOTE: 58 DISCLOSURE RELATED TO INVESTMENT IN ADITYA BIRLA HEALTH INSURANCE CO. LIMITED

Aditya Birla Health Insurance Co. Limited ("ABHI") has made a preferential allotment of 5,07,07,454 equity shares of ₹ 10 each to Platinum Jasmine A 2018 Trust, acting through its trustee, Platinum Owl C 2018 RSC Limited, being a wholly owned subsidiary of Abu Dhabi Investment Authority ("ADIA"), on 21st October 2022.

W.e.f. 21st October 2022, ABHI ceased to be a subsidiary, and has been accounted as a joint venture. This has resulted in fair value gain of ₹ 2,739.07 Crore in FY 2022-23 representing difference between fair value of retained interest in ABHI and derecognition of net assets of ABHI in accordance with 'Ind AS 110 - Consolidated Financial Statements'.

As a result, financial statements for FY 2023-24 are not comparable with FY 2022-23.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 59 DERIVATIVE FINANCIAL INSTRUMENTS OF HFC AND NBFC BUSINESS

Aditya Birla Housing Finance Limited

1 Nature and Terms of Outstanding Derivative Contracts:

a) Overnight Index Swaps (“OIS”)

Particulars	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
i) Total Notional Principal Amount of OIS agreement undertaken during the year	-	50.00
ii) Total Notional Principal Amount of OIS agreement outstanding as on the end of the year	-	50.00
iii) Maturity Date of OIS	-	4 th October 2023

b) The fair value mark-to-market (MTM), Gains or Losses in respect of Swaps agreement outstanding as at the Balance Sheet date, is stated below:

Hedging Instrument	(₹ Crore)	
	As at 31 st March 2024	As at 31 st March 2023
Overnight Index Swaps (OIS)	-	0.19

c) Movement in Hedge Reserve

Cash Flow Hedge Reserve Account	As at 31 st March 2024			As at 31 st March 2023		
	Realised	Unrealised	Total	Realised	Unrealised	Total
	i) Balance at the beginning of the year	-	-	-	-	(6.65)
ii) Add: Changes in the Fair Value during the year	-	-	-	(14.08)	(14.26)	(28.34)
iii) Less: Amounts Reclassified to the Statement of Profit and Loss	-	-	-	(14.08)	(20.91)	(34.99)
iv) Balance at the end of the year	-	-	-	-	-	-

Particulars - OIS	As at	
	31 st March 2024	31 st March 2023
i) Name of the Counterparty	-	State Bank of India
ii) Hedge Designation	-	Effective
iii) Floating Rate	-	FBIL Mibor
iv) Fixed Rate	-	6.96%

Aditya Birla Finance Limited

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end, and are not indicative of either the market risk or credit risk.



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	As at 31 st March 2024			As at 31 st March 2023		
	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Cross Currency Interest Rate Swaps	2,381.59	7.62	83.04	931.49	-	7.15
(ii) INR Interest Rate Swaps	800.00	0.38	3.69	1,000.00	0.84	6.54
(iii) Currency Forward	37.29	2.40	-	-	-	-
Total	3,218.88	10.40	86.73	1,931.49	0.84	13.69
Part II						
(i) Fair Value Hedging						
- Interest Rate Derivatives	500.00	0.08	3.62	900.00	0.51	6.54
(ii) Cash Flow Hedging						
- Cross Currency Interest Rate Swaps	2,381.59	7.62	83.04	931.49	-	7.15
- Currency Forward	37.29	2.40	-	-	-	-
- Interest Rate Derivatives	300.00	0.30	0.07	100.00	0.33	-
Total	3,218.88	10.40	86.73	1,931.49	0.84	13.69

Note a): Hedging Activities and Derivatives

The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks, managed using derivative instruments, are foreign currency risk and interest rate risk.

Note b): Derivatives designated as Hedging Instruments

A. Cash Flow Hedges

The Company is exposed to foreign currency risk arising from its External Commercial Borrowings amounting to ₹ 2,381.59 Crore. Interest on the borrowings is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ("swap"). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per the table below to cash outflows in INR with a notional amount of ₹ 2,381.59 Crore at fixed interest rate.

Name of the Lender	Foreign Currency Denominated Borrowing Amount	Interest Rate Type	Notional Amount of Swap (₹ Crore)	Interest Rate Swap Type
As at 31st March 2024				
JPY Denominated (in JPY Crore) (Maturity Range: February 2026 to March 2026)	838.94	Floating Rate Interest	519.84	Fixed Rate Interest
USD Denominated (in USD Crore) EDC (Maturity in March 2026)	22.50	Floating Rate Interest	1,861.75	Fixed Rate Interest
Total	861.44		2,381.59	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Name of the Lender	Foreign Currency Denominated Borrowing Amount	Interest Rate Type	Notional Amount of Swap (₹ Crore)	Interest Rate Swap Type
As at 31st March 2023				
JPY Denominated (in JPY Crore) (Maturity Range: September 2022 to February 2023)	838.94	Floating Rate Interest	519.84	Fixed Rate Interest
SMBC Bank USD lakh (Maturity in March 2023)	500.00	Floating Rate Interest	411.65	Fixed Rate Interest
Total	1,338.94		931.49	

There is an economic relationship between the hedged item and the hedging instrument, as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date, etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap is identical to the hedged risk components.

The Company has also taken overnight index swap deals to hedge its cashflows for underlying NCDs. The details are disclosed in the table below:

(₹ Crore)

Particulars	Borrowing Amount		Interest Rate Type		Notional Amount of Swap		Interest Rate Swap Type	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
	Interest Rate Swaps	300.00	100.00	Floating Rate Interest	Floating Rate Interest	300.00	100.00	Fixed Rate Interest

The Impact of the Hedging Instruments on the Balance Sheet is as follows:

(₹ Crore)

Particulars	Notional Amount	Carrying Amount	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2024				
Cross Currency Interest Rate Swaps	2,381.59	(75.41)	Derivative Financial Instruments	(51.68)
Currency Forward	37.29	2.40	Derivative Financial Instruments	2.40
Interest Rate Swaps	300.00	0.23	Derivative Financial Instruments	(0.06)
Total	2,718.88	(72.78)		(49.34)



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Notional Amount	Carrying Amount	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2023				
Cross Currency Interest Rate Swaps	931.49	(7.15)	Derivative Financial Instruments	44.75
Currency Forward	-	-	Derivative Financial Instruments	β
Interest Rate Swaps	1,000.00	(5.71)	Derivative Financial Instruments	(5.73)
Total	1,931.49	(12.86)		39.01

The impact of hedged items on the Balance Sheet is as follows:

(₹ Crore)

Particulars	Change in Fair Value Used for Measuring Ineffectiveness for the Year	Cash Flow Hedge Reserve as at 31 st March 2024
As at 31st March 2024		
Foreign Currency Denominated Floating Rate Borrowings	29.28	(22.47)
Debt Securities (NCDs)	-	0.16
Total	29.28	(22.32)

(₹ Crore)

Particulars	Change in Fair Value Used for Measuring Ineffectiveness for the Year	Cash Flow Hedge Reserve as at 31 st March 2023
As at 31st March 2023		
Foreign Currency Denominated Floating Rate Borrowings	(41.51)	(2.46)
Debt Securities (NCDs)	-	0.21
Total	(41.51)	(2.25)

The Effect of the Cash Flow Hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ Crore)

Particulars	Total Hedging Gain/(Loss) Recognised in OCI	Ineffectiveness Recognised in Profit or Loss
As at 31st March 2024		
Debt Securities (NCDs)	(0.05)	0.02
Foreign Currency Denominated Floating Rate Borrowings	(20.01)	-
Total	(20.06)	0.02

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Total Hedging Gain/(Loss) Recognised in OCI	Ineffectiveness Recognised in Profit or Loss
As at 31st March 2023		
Debt Securities (NCDs)	-	0.04
Foreign Currency Denominated Floating Rate Borrowings	3.45	-
Total	3.45	0.04

Movement in Cash Flow Hedging Reserve

(₹ Crore)

Particulars	1 st April 2023	Add/Less: Changes in Fair Value	Add/Less: Deferred Tax	As at 31 st March 2024
Cash Flow Hedging Reserve	(2.25)	(26.81)	6.74	(22.32)

(₹ Crore)

Particulars	1 st April 2022	Add/Less: Changes in Fair Value	Add/Less: Deferred Tax	As at 31 st March 2023
Cash Flow Hedging Reserve	(5.70)	4.61	(1.16)	(2.25)

B. Fair Value Hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset or liability, that is attributable to a particular risk and could affect profit or loss. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the Statement of Profit and Loss under Net Gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the Balance Sheet, and is also recognised in the Statement of Profit and Loss under Net Gain on fair value changes. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments.

The Impact of the Hedging Instruments on the Balance Sheet is as follows:

(₹ Crore)

Particulars	Notional Amount	Carrying Amount	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2024				
Interest Rate Swaps	500.00	(3.55)	Derivative Financial Instruments	2.49



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Particulars	Notional Amount	Carrying Amount	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2023				
Interest Rate Swaps	900.00	(6.03)	Derivative Financial Instruments	(5.94)

Hedge Items

(₹ Crore)

Particulars	Notional Amount	Accumulated Fair Value Adjustment - Liability	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2024				
Fixed Rate (NCDs)	500.00	(3.45)	Derivative Financial Instruments	(2.31)

(₹ Crore)

Particulars	Notional Amount	Accumulated Fair Value Adjustment - Liability	Line Item in the Statement of Financial Position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2023				
Fixed Rate (NCDs)	900.00	(5.75)	Derivative Financial Instruments	5.79

The Effect of the Fair Value Hedge in the Statement of Profit and Loss is, as follows:

(₹ Crore)

Particulars	Hedge Ineffectiveness Recognised in the Statement of Profit and Loss		Line in the Statement of Profit and Loss that includes Hedge Ineffectiveness
	31 st March 2024	31 st March 2023	
Interest Rate Swaps	0.18	(0.16)	Net gain on fair value changes

Note c): The following table shows the maturity profile of Hedging Derivatives based on their notional amounts.

(₹ Crore)

Particulars	As at 31 st March 2024				As at 31 st March 2023			
	0 to 12 Months	1 to 5 Years	Over 5 Years	Total	0 to 12 Months	1 to 5 Years	Over 5 Years	Total
(i) Cross-Currency Interest Rate Swaps	-	2,381.59	-	2,381.59	-	931.49	-	931.49
(ii) Currency Forward	37.29	-	-	37.29	-	-	-	-
(iii) Interest Rate Swaps	375.00	425.00	-	800.00	400.00	600.00	-	1,000.00
Total	412.29	2,806.59	-	3,218.88	400.00	1,531.49	-	1,931.49

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

Note:

The Group, its associates and joint ventures have a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group, its associates and joint ventures did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses needed to be provided as required under any law/ accounting standards.

NOTE: 60 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES BY ADITYA BIRLA ARC LIMITED (“THE COMPANY”)

The Company has concluded that the Assets Reconstruction trust in which it invests, but does not consolidate meet the definition of structured entities because –

- The voting rights in the Company are not dominant rights in deciding who controls them because the rights relate to administrative tasks only.
- Trust activities are restricted by trust deed.
- Insufficient equity to permit the structured entity to finance its activities without substantial financial support, and
- The trust has well defined objective to provide recovery activities to investors.

The following table describes the type of structured entities that the Company does not consolidate, but in which it holds an interest -

(₹ Crore)

Type of Structures Entity	Nature and Purpose	Interest Held by the Company	As of 31 st March 2024		As of 31 st March 2023		
			Investment in Security Receipts	SRs Issued by Trust	SRs Subscribed by the Company	SRs Issued by Trust	SRs Subscribed by the Company
Asset Reconstruction Trust	To acquire stressed assets for the purpose of carrying on the activity of securitisation and assets reconstruction	Acting as trustee to the Trusts		5.70	0.86	5.70	0.86

The following table sets out an analysis of the carrying amount of interest held by company in unconsolidated structure entities. The maximum exposure to loss in carrying amount of the asset held is as below:

(₹ Crore)

Carrying Amount	As at 31 st March 2024	As at 31 st March 2023
Investment in SRs	557.85	475.83
Advance to Trusts	13.70	8.19
Reimbursement from Trusts	0.01	0.03
Fees Receivable	9.56	3.39



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

NOTE: 61 RELATIONSHIP WITH STRUCK-OFF COMPANIES

(₹ Crore)

Segment	Name of the Company	Nature of Transaction with Struck-Off Company	Balance Outstanding as on 31 st March 2024	Relationship with Struck-Off Company
Stock and Securities Broking	Savinan Enterprises Private Limited	Commission Charges	β	Creditor
Stock and Securities Broking	Orion Media Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Doniv Enterprises Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Gurukul Commosales Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Virtual Securities Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Pusha Steels Limited	AMC Charges	β	Customer
Stock and Securities Broking	Jmm Nine Stocks Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Makshi Multitrading Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Chaturbhujia Securities Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Moneyspider Investment Services Private Limited	Commission Charges	β	Creditor
Stock and Securities Broking	Gangour Distributors Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Ceeplast Trading Company Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Indo Austro Corporation Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Ayyappan Capital Services Private Limited	AMC Charges	β	Customer
Stock and Securities Broking	Katman Finbiz Services Private Limited	AMC Charges	β	Customer
Housing Finance	Maark Vision Architects Private Limited	Loan to Customer (Receivable)	-	Customer
NBFC	Emirate Fashions Private Limited	Outstanding Balance (Loan Given)	β	Customer
NBFC	Chennai School of Ship Management Private Limited	Outstanding Balance (Loan Given)	β	Customer
NBFC	Uttam Consultancy Private Limited	Outstanding Balance (Loan Given)	-	Customer
Insurance Broker	Vintage Motors Private Limited	Payable towards Distribution Fees	-	Vendor
Insurance Broker	The Riders Zone Private Limited	Payable towards Distribution Fees	-	Vendor
Insurance Broker	Dimple Motors Private Limited	Payable towards Distribution Fees	-	Vendor

(₹ Crore)

Segment	Name of the Company	Nature of Transaction with Struck-Off Company	Balance Outstanding as on 31 st March 2023	Relationship with Struck-Off Company
Housing Finance	Maark Vision Architects Private Limited	Loan to Customer (Receivable)	3.23	Customer
Stock and Securities Broking	Ceeplast Trading Company Private Limited	AMC Charges	-	Customer
Stock and Securities Broking	Chaturbhujia Securities Private Limited	AMC Charges	-	Customer
Stock and Securities Broking	Doniv Enterprises Private Ltd.	AMC Charges	-	Customer
Stock and Securities Broking	Orion Media Private Limited	AMC Charges	-	Customer
Stock and Securities Broking	Pusha Steels Limited	AMC Charges	-	Customer
Stock and Securities Broking	Gurukul Commosales Private Limited	AMC Charges	-	Customer

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

(₹ Crore)

Segment	Name of the Company	Nature of Transaction with Struck-Off Company	Balance Outstanding as on 31 st March 2023	Relationship with Struck-Off Company
Stock and Securities Broking	Savinan Enterprises Private Limited	Commission Charges	β	Creditor
NBFC	Emirate Fashions Private Limited	Outstanding Balance (Loan Given)	0.10	Customer
NBFC	Chennai School of Ship Management Private Limited	Outstanding Balance (Loan Given)	0.81	Customer
NBFC	Uttam Consultancy Private Limited	Outstanding Balance (Loan Given)	6.59	Customer
NBFC	Maxin Hydro Dynamic India Private Limited	Outstanding Balance (Loan Given)	-	Customer
NBFC	Thanco Natural Foods Private Limited	Outstanding Balance (Loan Given)	-	Customer
NBFC	Bee Luxe Private Limited	Outstanding Balance (Loan Given)	-	Customer
NBFC	Alaric Healthcare Private Limited	Outstanding Balance (Loan Given)	-	Customer
Insurance Broker	Rainbow Automotive Private Limited	Payable towards Distribution Fees	-	Vendor
Insurance Broker	Vintage Motors Private Limited	Payable towards Distribution Fees	β	Vendor
Insurance Broker	The Riders Zone Private Limited	Payable towards Distribution Fees	β	Vendor
Insurance Broker	Dimple Motors Private Limited	Payable towards Distribution Fees	0.01	Vendor

NOTE: 62 DISCLOSURE ON REVENUE RECOGNITION AS PER IND AS 115

Reconciliation of Revenue Recognised from Contract Liabilities:

(₹ Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Closing Contract Liability - Advance from Customers	80.83	70.93

The Contract Liability Outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March 2024.

NOTE: 63 OTHER SIGNIFICANT NOTES

- The Company, during the year, issued share capital through Qualified Institutional Placement of 10,00,00,000 shares to Qualified Institutional Buyers and through Preferential Issuance of 7,57,11,688 shares to its Promoter and a member of Promoter Group entity, both aggregating to ₹ 3,000 Crore. In accordance with Ind AS 32, the costs that are attributable directly to the above transaction have been adjusted against securities premium reserve.
- The Board of Directors of the Company, at its Meeting held on 11th March 2024, approved the Scheme of Amalgamation between Aditya Birla Finance Limited ("Amalgamating Company") (a wholly owned subsidiary of the Company) and the Company, their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, read with rules made thereunder ("Scheme"). The Scheme is subject to the sanction of National Company Law Tribunal ("NCLT"), Ahmedabad Bench, and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders/creditors as may be directed by the NCLT and such other regulatory/statutory authorities, as may be required.
- During the year, the Company had sold 1,39,94,199 Equity Shares of Aditya Birla Sun Life AMC Limited ("ABSLAMC") representing 4.86% of the issued and paid-up equity share capital of the ABSLAMC, by way of an offer for sale through stock exchange mechanism, in order to achieve minimum public shareholding of the ABSLAMC as required under the applicable laws. Post-completion of offer for sale, the shareholding percentage of the Company in ABSLAMC stands at 45.14%. The Company has recognised gain amounting to ₹ 486.43 Crore (Net of Tax, Gain is ₹ 433.00 Crore).



Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2024

To achieve minimum public shareholding in ABSLAMC, the Group is required to further dilute stake of 3,94,463 equity shares, and has accounted the same as "Assets Held For Sale".

4. Aditya Birla Sun Life Insurance Company Limited and Aditya Birla Health Insurance Co. Limited have paid ₹ 16.80 Crore and ₹ 20.43 Crore, respectively, pursuant to the GST query with respect to GST input tax credit on business promotion expenses. Pending further developments on the same, the mentioned amount has been treated as deposit as at 31st March 2024.
5. The Board of Directors of the Company at its meeting held on 27th March 2023, has approved the sale of its entire stake of 50.002% of the issued and paid-up share capital of Aditya Birla Insurance Brokers Limited ("ABIBL") to Edme Services Private Limited, part of the Samara Capital Group and an affiliate of Samara Alternate Investment Fund.

The proposed transaction is subject to receipt of the approval of IRDAI and other regulatory/statutory approvals and satisfactory compliance of other conditions under the Share Purchase Agreement. Upon completion of the proposed transaction, ABIBL shall cease to be a subsidiary of the Company.

6. The Indian Parliament has approved the Code on Social Security, 2020, which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13th November 2020, and has invited suggestions from stakeholders. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
7. 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 person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company ("Ultimate Beneficiaries"). The Company has not received any fund from any parties ("Funding Party") with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
8. Figures of ₹ 50,000/- or less have been denoted by '₹'.

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
Aditya Birla Capital Limited

Ashwin Suvarna
Partner
Membership No.: 109503

Vishakha Mulye
Chief Executive Officer

Arun Kumar Adhikari
Director
(DIN: 00591057)

S. C. Bhargava
Director
(DIN: 00020021)

Pinky Mehta
Chief Financial Officer
Mumbai, 13th May 2024

Amber Gupta
Company Secretary

Mumbai, 13th May 2024

Aditya Birla Capital Limited

CIN: L67120GJ2007PLC058890

Registered Office: Indian Rayon Compound, Veraval - 362 266, Gujarat
+91 2876 243257 | (F) +91 2876 243220

Corporate Office: One World Centre, Tower 1, 18th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013
+91 22 4356 7000 | (F) +91 22 4356 7111
abc.secretarial@adityabirlacapital.com | www.adityabirlacapital.com



**ADITYA BIRLA
CAPITAL**