

 Nippon Life **India** Asset Management Ltd.

Sustainably Forward



Annual Report 2022

BOARD OF DIRECTORS:

Gen. Ved Prakash Malik (Retd.)
Ms. Ameeta Chatterjee
Mr. Ashvin Parekh
Mr. B. Sriram
Mr. Tomohiro Yao (Appointed on 21/04/22)
Mr. Akira Shibata
Mr. Minoru Kimura (Appointed on 21/04/22)
Mr. Sundeep Sikka – Executive Director &
Chief Executive Officer

KEY MANAGERIAL PERSONNEL:

Mr. Prateek Jain - Chief Financial Officer
Mr. Ajay Patel – Manager
Ms. Nilufer Shekhawat – Company Secretary

AUDITORS:

M/s. S. R. Batliboi & Co. LLP

REGISTERED OFFICE:

4th Floor, Tower A, Peninsula Business Park,
Ganapatrao Kadam Marg, Lower Parel (W),
Mumbai – 400013.

CIN : L65910MH1995PLC220793

Tel. : +91 22 6808 7000

Fax : +91 22 6808 7097

E-mail : investorrelation@nipponindiaim.com

Website : <https://mf.nipponindiaim.com>

REGISTRAR AND TRANSFER AGENT:

KFin Technologies Limited
(Formerly Known as KFin Technologies Private Limited)
Unit: Nippon Life India Asset Management Limited
Selenium Tower – B
Plot No. 31 & 32, Financial District,
Nanakramguda, Hyderabad 500 032.
Website: www.kfintech.com

INVESTOR HELPDESK:

Toll free no. (India) : 1800 309 4001

Tel. : +91 40 6716 1500

Fax : +91 40 6716 1791

E-mail : namindiainvestor@kfintech.com

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27th Annual General Meeting on Tuesday, July 12, 2022 at 11:00 A.M. IST through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)

The Annual Report can be accessed at <https://mf.nipponindiaim.com>

Letter To Shareholders

Paving the path for a sustainable tomorrow



Dear Shareholders,

Greetings!

FY22 has been a momentous year for our industry and more so for your company. Strong investor and stakeholder trust in your company has led to us having the privilege of serving the largest investor base in the industry. We are humbled to have welcomed 7 million new investors this year alone. Number of unique investors grew by 75% this year and our market share and AUM grew at a fast clip, especially in the retail domain; on the back of robust processes, strong risk management and in-depth research.

Into the new year, the world economy continues to bear the brunt of the post-pandemic easing, virus resurgence as well as the geopolitical turmoil in Europe. Globally, inflation has proven to be a dampener to the otherwise buoyant equity markets. In a measured manner, RBI has shifted its focus to combating inflation, resulting in consensus expectation of multiple hikes in interest rate in FY23.

India continues to evolve

India, however, has historically overridden global downturns and exhibited its resilience and immense potential time and again.

While the last half a decade has been challenging for India, the phase has seen much more structured and meaningful reform taking place than in the past. Economic disarray, stagnation, sluggish investment and bureaucratic red-tapism have all been addressed adequately over the last few years. Though a great challenge in a country as diverse as India, many necessary structural reforms were implemented in last 5 years with an objective of creating an environment conducive for investment.

As a result, India has emerged as a strong player with significant growth trajectory that is higher than any other developing country in the world. Defying all expectations, new estimates have shown that India may well be on the path to surpassing Japan in becoming Asia's second largest economy. Though there are multiple factors that have led to the same, exports reaching a new high of \$418 billion in a single year is a noteworthy contributor; apart from the growth in manufacturing activity. Collectively, it has helped raise global interest in the investor-friendly FDI policy of the government, thereby it can easily be ensured that India is

looked at as a strong powerhouse and a force to be reckoned with in days to come.

Future Ready NAM

All this gives me great hope about our future as a country.

But as the CEO of your company, what gives me even more hope - and, if I may add, immense satisfaction - is the fact that as India grows in stature and size, your company has the right people, strategies, processes, products, performance and partnerships in place to grow with India.

Our strategies revolve firmly around the well-being of our investors. We strive to never lose sight of the fact that the only constant in the dynamic environment around us is Investors' interest.

With higher financial literacy, formalisation of business activity, growing individual savings, improved reach of financial products aided by granular offline and convenient online conduits, and a strong governance structure, the financial services' space, particularly asset management, has the potential to help many new investors realise their financial goals. In FY22 alone, the number of active Demat accounts in India rose by 63% to 90 million. Retail MF folios rose by 30 million to 118 million. Indian capital markets were key beneficiaries of these growth trends. Equities, as a share of household assets, reached a record high of 4.8%. Overall assets of the Mutual Fund sector increased by 20% to INR 37.6 trillion in FY22. As a responsible leader in this rapidly expanding and underpenetrated sector, we continue to deploy our domain knowledge and global expertise to build products and processes with an "Investor First" philosophy at our core and nurture a performance-driven culture within a carefully calibrated effective risk management and governance framework within the organisation.

With a single-minded focus on making our investment products accessible to everyone, our products range mirrors the diverse risk-return preferences of our investors. Our leadership position in the retail as well as the passive segment is testament to the successful execution of this vision. Today, we can offer one of the most complete suite of offerings for all segments of investors (retail, HNI, institutional, corporate as well as offshore) and product classes (Equity, Debt, Liquid, ETF, Commodity, Real Estate and VC Funds). Our MF assets increased by 24% in FY22 and led to a rise in overall market share by 26 basis points to 7.38%. Our annualised systematic flows grew to INR 88 billion from 4 million folios. The stickiness of our SIP folios and AUM is far superior to the industry. This growth in assets and market share, combined with detailed cost optimisation initiatives which led to an expanding and favourable operating leverage, have helped us achieve an all-time high annual profitability of INR 7.4 billion. By successfully executing a strategy that has distinct focus on all investor segments, we have ensured that our reach and connect with our partners and investors remains amongst the best in the business.

Looking into the future, we believe that a nimble and secure digital ecosystem and an objective approach to sustainable investing are vital determinants of our growth aspirations. I would like to further share a few comments in this regard.

Digital Leadership

In this digital age, ideas such as super Apps, algo-trading, AI advisory tools, conversational commerce, etc. have transformed the global business landscape. NAM India has been a thought leader through its constant source of digital innovation in the asset management space. We have been able to build a complete world of digitech for the new-age consumers.

Our 3F strategy - friendly, frictionless and futuristic, cuts across all layers of digital usage. We have created a home of inclusiveness in the digital aspect of the industry. Voice, Vernacular and Bharat are the main focus areas. Through several industry-first endeavours, NIMF has established itself as a mobile-first wealth tech organisation. Our digitech prowess also enables the new-age fintech players in their journey. We make sure that our consumers are able to do business with us, by way of a seamless and interactive experience, on our as well as our partner platforms. Such experiences enable them to make the most of our digitech infrastructure. In FY22, 58% of our purchase transactions were executed through digital assets. One digital purchase was made every 7 seconds, while NIMF is searched on the internet once every 3 seconds.

Our People

We truly believe in the mantra that “employees are the key pillars for success of any business”, and I want to pause here for a moment in the fond memory of two of our employees whom we lost to COVID – Mr. Nitin Tyagi and Mr. Syed Saleemuddin.

Each one of us suffered to varying extent during the pandemic and I thank all team members for ensuring that NAM India emerged as one of the country’s largest asset management companies, despite all the difficulties.

We continue to have a focused approach towards employee development and engagement and, believe in nurturing professional bonds in a family environment, which reflects our overall company culture. The proof of this is the fact that more than 70% of our leaders are homegrown. Our efforts in this area have led us to the honour of receiving the prestigious AON Best Employer recognition four times in last six years – in 2016, 2018, 2019 and this year in 2021. We have also featured in India’s Best Companies to Work For in 2018 by Great Place to Work. These are two of the most coveted **Employer of Choice awards in the country, and are testaments** to our focus on people, culture and HR practices that involve various initiatives, including an inclusive plan for Employee Stock Options introduced during the year.

Our employees are truly our partners, invested in the growth and future of the organization. I am always grateful for the honour to work with this group of highly dedicated individuals who are entrepreneurial and passionate, with a never-say-die work ethos. And we are committed to invest in our people to help them grow and realise their aspirations.

Environmental, Social and Governance (ESG) framework

In line with our beliefs regarding ‘responsible and sustainable investing’, and to fulfil our responsibility towards sustainability of Planet Earth, we became a UN-PRI signatory in June 2021. Our approach towards inculcating ESG principles across the organisation, including investment management, is structured, long-term and unflinching. Apart from our ongoing initiatives on climate conservation and community welfare, including our employees, we have systematically taken steps to augment our data protection approach, keep cyber risks at bay and bolster our overall risk, control and governance framework. Digitisation of our CRM ecosystem has also made a world of difference to our customers’ experience. In FY22, approx. 70% of non-commercial customer transactions were handled without any human intervention.

NAM India seeks to set a new precedent with a sublime, result-oriented and socially responsible ecosystem. We believe that incorporating inclusive values into our policies and practices will help us in bringing alive our vision and achieving the long-term objectives. As an asset manager, we are conscious of our role as a custodian of the interest of 12 million investors. Through our Stewardship Code, we endeavor to protect interests of minority shareholders by actively voting on the affairs of our investee companies. We constantly work towards infusing financial and non-financial governance elements into our investment processes. We have made it a mission to be diligent in our efforts to relentlessly strengthen our responsible investment strategies aimed at providing sustainable returns and make a positive difference to our people and planet.

Outlook

These are uncertain times with unprecedented challenges. But even as India marches towards becoming a \$5-trillion economy by 2025, the asset management industry too continues to progress and expand its coverage in the hitherto under-penetrated regions and deepen its investor base. Your company aspires to be at the forefront of this mission with our appropriately diversified bouquet of product options to help achieve long-term investment goals for all classes of investors and by providing them with a solid platform for future growth and expansion.

We will continue to play a pivotal role in expanding the Mutual Fund industry’s reach to the under-served population, through cutting-edge Big Data, AI-ML innovation, wide distribution reach, intensive investor education initiatives, and enhancing our customer service infrastructure with a continued focus on profitable growth while always optimizing risk in all aspects of our operation.

Nippon Life Insurance and the management team remain fully committed towards enriching and suitably adding value for all stakeholders in the years to come. We are working closely together and leveraging on its 132+ year experience and global network to strengthen NAM India’s risk management and fund management processes and expand our business both domestically and internationally.

Your company will continue to share profits with our stakeholders through higher dividends. Our stated dividend policy is to distribute 60-90 percent of our profits subject to approvals from the board.

As I look towards the future, I commit to you that we will continue to transform ourselves to meet investors’ and industry needs with passion, professionalism, commitment and humility; a combination that is hallmark of your company and which our clients trust.

It is an honor to serve you, our valued clients, stockholders, and employees. Thank you for your ongoing trust and confidence!

I wish you and your families good health and safety.

Sincerely,



(Sundeeep Sikka)

Purpose

To play a leadership role in driving financial literacy and prosperity across India with a future-ready approach.



Mission statement

To create and nurture a world-class, performance-driven, and socially responsible ecosystem aimed at consistently delighting our investors and other stakeholders.



Vision statement

To consistently create a better future for our investors by making the best use of our local and global capabilities with enhanced technological preparedness.



NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Nippon Life India Asset Management Limited will be held on Tuesday, July 12, 2022 at 11.00 AM (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

- (1) To consider and adopt:
 - a. the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and that of the Auditors' thereon; and
 - b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon.
- (2) To confirm the payment of Interim Dividend of Rs. 3.50 per Equity Share and to declare a Final Dividend of Rs. 7.50 per Equity Share for the financial year 2021-22.
- (3) To appoint a director in place of Mr. Akira Shibata (DIN: 08107588), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- (4) **Appointment of Mr. Minoru Kimura as the Non-executive Non-independent Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Articles of Association of the Company, Mr. Minoru Kimura (DIN: 07497568), who has given his consent for appointment as a Director of the Company and who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 21, 2022 and who holds office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Act, but who being eligible for appointment and in respect of whom the Company has received a notice in

writing from a Member under Section 160 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, proposing his candidature for the office of Director of the Company and which has been recommended by the Nomination & Remuneration Committee and the Board of Director of the Company, be and is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation."

- (5) **Appointment of Mr. Tomohiro Yao as the Non-executive Non-independent Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Articles of Association of the Company, Mr. Tomohiro Yao (DIN: 08429687), who has given his consent for appointment as a Director of the Company and who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 21, 2022 and who holds office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Act, but who being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, proposing his candidature for the office of Director of the Company and which has been recommended by the Nomination & Remuneration Committee and the Board of Director of the Company, be and is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation."

**By Order of the Board of Directors
For Nippon Life India Asset Management Limited**

Nilufer Shekhawat
Company Secretary
Membership No.: A – 23264

Registered Office

4th Floor, Tower A, Peninsula Business Park,
Ganapatrao Kadam Marg, Lower Parel (West),
Mumbai- 400 013
CIN: L65910MH1995PLC220793
Website: <https://mf.nipponindiaim.com>
Tel.: +91 22 68087000, Fax: +91 22 68087097
E-mail: Investorrelation@nipponindiaim.com

Date: April 26, 2022

Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”), relating to the special business to be transacted at the Annual General Meeting (the “AGM”) is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide it’s circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, January 13, 2021, December 8, 2021 and May 5, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the “AGM” through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. Corporate Members are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to the scrutinizer by email through its registered email address to siroyam@gmail.com with a copy marked to evoting@nsdl.co.in
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL (“Depositories”).

Process for registration of e-mail id for obtaining Notice of the AGM along with Annual Report.

If your e-mail address is not registered with the Depositories (if shares held in electronic form) / Company (if shares held in physical form), you may write to namindiainvestor@kfintech.com to receive the Notice of the AGM along with the Annual Report 2021-22.

Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website <https://mf.nipponindiaim.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock

Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.

6. SEBI vide circular dated 3rd November 2021 has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents are not available with us, on or after 1st April 2023, shall be frozen as per the aforesaid SEBI circular. The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website <https://mf.nipponindiaim.com>. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest. The Company has sent a letter to the shareholders holding shares in physical form in relation to the aforesaid. In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants
7. Process for registration of e-mail address for obtaining Annual Report and all future correspondence and updation of the bank account details:

Type of holder	Process to be followed	
Physical Holding	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited (Kfintech) either by email to einward.ris@kfintech.com or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13

Type of holder	Process to be followed	
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
Demat Holding	Please contact your DP and register your e-mail address and bank account details in your demat account, as per the process advised by your DP.	

8. Non-Resident Indian members are requested to inform Kfintech immediately on:
 - a. the change in the residential status on return to India for permanent settlement; and
 - b. the particulars of the bank account(s) maintained in India with complete name, branch, and account type, account number and address of the bank, if not furnished earlier.
9. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency for conducting of the e-AGM and providing e-voting facility.
10. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
12. Relevant documents referred to in the accompanying Notice calling the AGM are available for inspection through electronic mode up to the date of the AGM. The certificate from the Practicing Company Secretary confirming the compliance of The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014] with respect to the Company's Employees Stock Option Schemes will be available for inspection through electronic mode. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, upon request will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to investorrelation@nipponindiaim.com.

13. Re-appointment of Director:

At the ensuing AGM, Mr. Akira Shibata (DIN: 08107588), is liable to retire by rotation in terms of section 152(6) of the Act, and, being eligible, has offered himself for re-appointment.

14. Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the IEPF. In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF.

Pursuant to Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on March 31, 2021 on its website at <https://mf.nipponindiaim.com/investor-service/customer-service/nam-india-shareholders-investors> and also on the website of the Ministry of Corporate Affairs.

15. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
16. As mandated by SEBI, effective from April 1, 2019, securities of listed companies shall be transferred only in dematerialised form. In order to facilitate transfer of share(s) in view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.
17. The Company has fixed Friday, July 1, 2022 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2022, if approved at the AGM. The final dividend, once approved by the members in the ensuing AGM will be paid on and from July 19, 2022, subject to deduction of tax at source, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent

out to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.

18. Shareholders may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, shareholders are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Shareholders having valid PAN	10% or as notified by the Government of India
Shareholders not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2022-23 does not exceed Rs. 5,000 and also in cases where shareholders provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for shareholders providing Form 15G / Form 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, nonresident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member,
- Copy of Tax Residency Certificate ("TRC") for FY 2022-23 obtained from the revenue authorities of the country of tax residence,
- Duly attested Self-declaration by member in Form 10F,
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty and Self-declaration of beneficial ownership by the non-resident shareholder,
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

Kindly note that the aforesaid documents, as applicable, should be uploaded with Kfintech at <https://ris.kfintech.com/form15> on or before July 5, 2022 by 6:00 PM IST in order to enable the Company to determine and deduct appropriate TDS / withholding tax. No communication regarding the tax withholding matters would be entertained after July 5, 2022 6:00 PM IST. The Company will arrange a separate communication to download a soft copy of the TDS certificate from Kfintech website in due course.

Shareholders are requested to address all correspondence, including dividend related matters, to the RTA, Kfintech, Unit: Nippon Life India Asset Management Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Hyderabad 500 032.

Shareholders may note that in case the tax on the said final dividend is deducted at a higher rate in absence of receipt or insufficiency of the aforementioned details / documents from them, an option is available to them to file the return of income as per Income tax Act 1961 and claim appropriate refund, if eligible. **No claim shall lie against the Company for such taxes deducted.**

Disclaimer: This Communication is not to be treated as a tax advice from the Company or its affiliates or Kfintech. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

19. SEBI vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view

to protect the interest of the shareholders, has mandated to all the members who holds securities of the company in physical form, to furnish to the company/ its registrar and transfer agent, the details of their valid PAN and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to Kfintech, the Company's Registrar and Transfer Agent.

20. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Kfintech.
21. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
22. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before July 10, 2022 through email on investorrelation@nipponindiaim.com. The same will be replied by the Company suitably.
23. Instructions for e-voting and attending the AGM are as follows:

A. Voting Through Electronic Means:

- (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Secretarial Standards on General Meetings ('SS-2') issued by the ICSI and Regulation 44 of the Listing Regulations read with the MCA Circulars & the SEBI Circulars, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
- (ii) The remote e-Voting period commences on July 8, 2022 (9:00 a.m. IST) and ends on July 11, 2022 (5:00 p.m. IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. During this period, Members holding shares either in physical form or in demat form, as on July 5, 2022, i.e. cut-off date, may cast their vote electronically. Those Members, who will be present in the AGM

through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.





- (iii) The Board of Directors have appointed Mr. Mukesh Siroya, of M/s M Siroya & Co., Company Secretaries (Membership No. FCS 5682) as a Scrutiniser to scrutinize the voting process in a fair and transparent manner.
 - (iv) The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/participate in the AGM but shall not be entitled to cast their vote again.
 - (v) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
 - (vi) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- VII. The details of the process and manner for remote e-Voting and voting during the meeting are explained herein below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on "e-Voting facility provided by Listed Companies", Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>A. NSDL IDeAS facility</p> <p>If you are already registered, follow the below steps:</p> <p>Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered, follow the below steps:</p> <p>Option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>B. e-Voting website of NSDL</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="color: blue; font-weight: bold; margin: 0;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Securities held with NSDL</p>	<p>Please contact NSDL helpdesk by sending a request at evoting@nssl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Securities held with CDSL</p>	<p>Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nssl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nssl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

6. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file

is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) In case you have not registered your email ID with the Company/Depository, please follow instructions mentioned below in this notice.
7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 9. Now, you will have to click on "Login" button.
 10. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to siroyam@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries relating to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager-NSDL at evoting@nsdl.co.in.
4. Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing demat account number / Folio number, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained above.

5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a. Member will be provided with a facility to attend the 27th AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b. Members are encouraged to join the Meeting through Laptops for better experience.
- c. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at Investorrelation@nipponindiaim.com from Wednesday, July 6, 2022 (9:00 a.m.) to Saturday, July 9, 2022 (5:00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- f. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- g. Members who need assistance before or during the AGM, can contact Ms. Soni Singh, Assistant Manager- NSDL at evoting@nsdl.co.in or call on toll free no: 1800 1020 990 and 1800 22 44 30
24. Other Instructions
- i. The Scrutiniser shall, immediately after the conclusion of the voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and provide, not later than forty eight (48) hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- ii. The result declared along with the Scrutiniser's Report shall be placed on the Company's website

at <https://mf.nipponindiaim.com> and on the website of NSDL at <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to The National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM, i.e. Tuesday, July 12, 2022.

- iii. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
25. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, Members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their e-mail ID. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at <https://mf.nipponindiaim.com>.

Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 to the accompanying notice dated April 26, 2022

Item No. 4: Appointment of Mr. Minoru Kimura as the Non-executive Non-independent Director

Mr. Minoru Kimura was appointed as the Additional Director of the Company with effect from April 21, 2022 in accordance with the provisions of Section 161 of the Act. Pursuant to Section 161 of the Act, Mr. Minoru Kimura holds office upto the date of ensuing Annual General Meeting.

As required under Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Mr. Minoru Kimura for his office of Director of the Company.

Mr. Minoru Kimura is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The details of Mr. Minoru Kimura sought to be appointed as Director are set out in the Annexure to the Notice. Keeping in view of his vast knowledge and expertise, it will be in the interest of the Company to appoint Mr. Minoru Kimura as a Director of the Company. After careful consideration, the Nomination & Remuneration Committee and the Board of the

Company, have recommended the appointment of Mr. Minoru Kimura as the Director of the Company.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company Mr. Minoru Kimura and his relatives may be deemed to be concerned or interested in the Resolution at Item No. 4 relating to his appointment as a Director. Mr. Minoru Kimura, if appointed will be a nominee Director of the promoter of the Company i.e. Nippon Life Insurance Company.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are interested in the Resolution.

Mr. Minoru Kimura is not related to any Director or KMP of the Company.

Item No. 5: Appointment of Mr. Tomohiro Yao as the Non-executive Non-independent Director

Mr. Tomohiro Yao was appointed as the Additional Director of the Company with effect from April 21, 2022 in accordance with the provisions of Section 161 of the Act. Pursuant to Section 161 of the Act, Mr. Tomohiro Yao holds office upto the date of ensuing Annual General Meeting.

As required under Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Mr. Tomohiro Yao for his office of Director of the Company.

Mr. Tomohiro Yao is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The details of Mr. Tomohiro Yao sought to be appointed as Director are set out in the Annexure to the Notice.

Keeping in view of his vast knowledge and expertise, it will be in the interest of the Company to appoint Mr. Tomohiro Yao as a Director of the Company. After careful consideration, the Nomination & Remuneration Committee and the Board of the Company, have recommended the appointment of Mr. Tomohiro Yao as the Director of the Company.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company Mr. Tomohiro Yao and his relatives may be deemed to be concerned or interested in the Resolution at Item No. 5 relating to his appointment as a Director. Mr. Tomohiro Yao, if appointed will be a nominee Director of the promoter of the Company i.e. Nippon Life Insurance Company.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are interested in the Resolution.

Mr. Tomohiro Yao is not related to any Director or KMP of the Company.

**By Order of the Board of Directors
For Nippon Life India Asset Management Limited**

Nilufer Shekhawat
Company Secretary
Membership No.: A – 23264

Registered Office

4th Floor, Tower A, Peninsula Business Park,
Ganapatrao Kadam Marg, Lower Parel (West),
Mumbai- 400 013

CIN: L65910MH1995PLC220793

Website: <https://mf.nipponindiaim.com>

Tel.: +91 22 68087000, Fax: +91 22 68087097

E-mail: Investorrelation@nipponindiaim.com

Date: April 26, 2022

Annexure

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2, the following information is furnished about the Director proposed to be appointed/re-appointed at the Annual General Meeting:

Name of the Director	Mr. Akira Shibata	Mr. Minoru Kimura	Mr. Tomohiro Yao
Brief details and Nature of Expertise in specific functional areas	<p>Mr. Akira Shibata, aged 49 years currently serves as the General Manager / Global Asset Management Business Department at Nippon Life Insurance Company (NLI). In his over 25-year professional career with NLI, Mr. Shibata has engaged in Finance Planning & Management business for 3 years. Also, Mr. Shibata has been engaged in Public & Investors Relations for a year. Other than above, Mr. Shibata has also spent his professional career in the NLI's U.S. group insurance subsidiary, Nippon Life Insurance Company of America, where he carried the position of Vice President for 4 years (2008 to 2012).</p> <p>Mr. Akira Shibata holds a Bachelor of Laws from University of Tokyo and MBA from A.B. Freeman School of Business, Tulane University.</p>	<p>Mr. Minoru Kimura, aged 54 years is Managing Executive Officer of Nippon Life Insurance Company (NLI), and is responsible for Head of Global Business.</p> <p>He joined NLI in 1990 and has spent more than 25 years and has been responsible for both domestic and foreign securities investment, including his assignments at NLI International Inc. in New York, Nissay Deutsche Asset Management Europe and NLI Investments Europe in London.</p> <p>Previously, he was General Manager of Nippon Life's International Planning & Operations Departments managing and developing Nippon Life's overseas life insurance and asset management business.</p> <p>He has also played an active role at Nissay Asset Management, Nippon Life's asset management subsidiary, in charge of various roles including Head of investment planning.</p> <p>He is a Bachelor of Laws from Kyoto University, Japan.</p>	<p>Mr. Tomohiro Yao, aged 50 years is Regional CEO for Asia Pacific and Head of India at Nippon Life Insurance Company (NLI). He is responsible for operations in the Asia Pacific.</p> <p>Mr. Tomohiro Yao is a seasoned professional with over 25 years of experience in the life insurance industry. He has extensive knowledge of Planning & Research and Global Business Planning at Nippon Life, Japan. In 2011 he assumed charges as Executive Assistant to the Chairman of Life Insurance Association, Japan for 2 years. Following which he was engaged in Nippon Life's Global Business Planning, leading Nippon Life's international M&A strategy. He was also responsible for driving Nippon Life's overseas Insurance businesses including India, Mainland China as well as the United States of America.</p> <p>He holds a degree of B.A. (Law) from Kyoto University and an MBA from Wharton School, University of Pennsylvania.</p>
Date of Birth	July 14, 1972	June 20, 1967	June 1, 1971
First Appointment on the Board	April 25, 2018	April 21, 2022	April 21, 2022
Date up to which the Director shall hold office	-	-	-

Name of the Director	Mr. Akira Shibata	Mr. Minoru Kimura	Mr. Tomohiro Yao
Directorships in other companies	<ul style="list-style-type: none"> Nippon Life Global Investors Americas, Inc. Nippon Life Global Investors Europe Plc. 	-	<ul style="list-style-type: none"> Reliance Nippon Life Insurance Company Limited Greatwall Changsheng Life Insurance Co. Ltd. Nippon Life Asia Pacific (Regional HQ) Pte. Ltd. Grand Guardian Nippon Life Insurance Company Limited Bangkok Life Assurance Public Company Limited
Details of Memberships/ Chairmanships of Committees of other public Companies (includes Audit Committee and Stakeholders Relationship Committee)	-	-	Member of Board Audit & Compliance Committee of Reliance Nippon Life Insurance Company Limited
Resignation as Director from Listed Companies in the past three years	-	Resigned from Nippon Life India Asset Management Limited on June 08, 2020.	-
Terms & Conditions of re-appointment	Liable to retire by rotation	Liable to retire by rotation	Liable to retire by rotation
Shareholding in the Company as at March 31, 2022 (including as a beneficial owner)	Nil	Nil	Nil
Sitting fees paid during F.Y. 2021- 22*	-	N.A.	N.A.

*As indicated by Nippon Life Insurance Company (NLI), the sitting fees payable to the representatives or employees of NLI or its group Companies, acting as Board members of the Company, for attending the Board or Committee meetings, has been waived.

For other details such as the number of meetings of the board attended during the year and relationship with other directors and key managerial personnel in respect of Mr. Akira Shibata, please refer to the Corporate Governance Report which is a part of this Annual Report.

Board's Report

Dear Shareholders,

Your Directors take pleasure in presenting their 27th Annual Report on the business and operations of your Company, together with the audited financial statements, for the year ended March 31, 2022.

Your Company endeavors to remain one of the leading players in the Asset Management business in India and keep enhancing its global footprint as well.

Your Company is a subsidiary Company of Nippon Life Insurance Company ("NLI"). NLI, a fortune 500 Company and which is one of the largest life insurers in the world managing assets of over USD 700 bn. NLI has a large global network with presence across US, Europe, Asia, and Australia along with a 130-year track record in Life Insurance business as well as global investments across Asset Management companies. This pedigree brings strong synergistic benefits that very well complements your Company's domestic expertise in Asset Management business and provides a thrust to its significant growth potential. Your Company expects substantial upside in terms of increased AUM & adoption of best governance & risk management practices based on NLI's global positioning & relationships.

Your Company acts as the Asset Management Company of Nippon India Mutual Fund and it happens to be the largest foreign owned Asset Management Company in India.

FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial highlights (on a consolidated and standalone basis) of the Company for the year ended March 31, 2022 are as follows:

(₹ Crores)

Description	Consolidated		Standalone	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Gross Income	1535.63	1419.34	1428.42	1325.66
Profit before exceptional item and tax	988.67	877.03	945.43	842.92
Exceptional Items	-	-	-	-
Profit Before tax	988.67	877.03	945.43	842.92
Current Tax	206.66	157.41	200.38	151.51
Deferred Tax	38.64	40.22	33.84	42.02
Profit for the year	743.37	679.39	711.21	649.39
Share of Profit from Associates	0.79	0.94	-	-
Profit attributable to non-controlling interest	-	-	-	-
Other Comprehensive Income	(0.30)	0.72	(0.27)	0.72
Balance carried to Balance Sheet	743.86	681.05	710.94	650.11
Basic EPS of ₹ 10 each	12.00	11.04	11.47	10.53
Diluted EPS of ₹ 10 each	11.80	10.90	11.28	10.41

The Consolidated Financial Statements of the Company are forming part of this Annual Report.

The annual accounts of all the subsidiary companies will be placed on the website of the Company.

DETAILS OF MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company since the date of the financial statements i.e. March 31, 2022.

DIVIDEND

During the year, the Company had declared and paid an interim dividend of Rs. 3.50 per equity share (35%) amounting to Rs. 217.41 Crore. The Board has also recommended a final dividend of Rs. 7.50 per Equity Share (75%) of Rs. 10/- each for the financial year ended March 31, 2022, for the approval of the Shareholders at the ensuing Annual General meeting. With this the total dividend for the financial year 2021-22 would be approximately Rs. 683.92 crores, including the interim dividend of Rs. 3.50 per equity share distributed in November 2021. The Final dividend, if declared, will be paid after the Annual General Meeting.

The dividend payout is in accordance with the Company's Dividend Distribution Policy which forms part of this Annual Report.

AMOUNT TO BE CARRIED TO RESERVES

Your Directors do not propose any amount to be transferred to the General Reserves of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) is presented in a separate section forming part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

There is no difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

DEPOSITS

The Company has neither accepted nor renewed any fixed deposits during the year. There are no outstanding or unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2022.

EMPLOYEES STOCK OPTION SCHEME

With the perspective of promoting the culture of employee ownership and to attract, retain, motivate and incentivize senior as well as critical talent, the Company has formulated Nippon Life India Asset

Management Limited - Employee Stock Option Plan 2017 [formerly known as "Reliance Nippon Life Asset Management Limited – Employee Stock Option Plan 2017"] ("ESOP 2017" / "Plan") as its stock option scheme, which was launched in August 2017 and Nippon Life India Asset Management Limited - Employee Stock Option Plan 2019 [formerly known as "Reliance Nippon Life Asset Management Limited – Employee Stock Option Plan 2019"] ("ESOP 2019" / "Plan") as its stock option scheme, which was launched in July 2019. The Nomination and Remuneration Committee of the Board monitors and administers these Plans and from time to time grants stock options to the employees.

Both ESOP 2017 as well as ESOP 2019 are in compliance with The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [erstwhile The SEBI (Share Based Employee Benefits) Regulations, 2014] (SEBI Regulations).

However, having regard to the provisions of first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. The certificate from the Practicing Company Secretary confirming the compliance of The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [erstwhile The SEBI (Share Based Employee Benefits) Regulations, 2014] with respect to the Company's Employees Stock Option Scheme Plans has been received and will be available for inspection through electronic mode. Any member interested in obtaining the same may write to the Company Secretary and the same will be furnished on request. The details as required to be disclosed under SEBI Regulations are put on the Company's website at <https://mf.nipponindiaim.com/investor-service/customer-service/nam-india-shareholders-investors>

COMPLIANCE CULTURE & RISK MANAGEMENT

Your Company is essentially Compliance centric and has a huge focus in this direction. The Compliance function is manned by a dedicated and experienced team of professionals. The Compliance team regularly conducts various educative training programs for various segments within the organization. Your Company thrives towards a culture of 'Total Compliance' and it has a 'Zero Tolerance' policy for non-compliances. There exists a comprehensive Compliance Manual, which is reviewed by your Board of Directors from time to time and it facilitates Company's Compliance team to monitor various compliance requirements effectively & comprehensively. Your Board of Directors have also constituted a Compliance Committee, which is chaired by the CEO & Executive Director of the Company, and which has the Compliance Officer and other senior & relevant functionaries as its members. This committee meets at least once in a quarter to discuss and deliberate issues pertaining to compliance and other regulatory developments.

Your Company also has a comprehensive Risk Management Policy that envisages a structured and consistent enterprise-wide risk management framework, based on the three lines of defense model, to ensure that risk management processes are consistently applied across the organization and provide reasonable assurance regarding achievement of organization's objectives.

The risk management policy clearly sets out the objectives & elements of risk management within the organization, including the constitution of an independent Risk Management department headed by Chief Risk Officer (reporting directly to the CEO and to the Board of Directors), Risk Management Committee (RMC).

Your Company promotes risk awareness culture throughout the organization and risk management is an integral part of decision making and day-to-day operations of all activities at all levels across the organization. There are well documented & Board approved policies & processes to address and mitigate various risks to which the company is exposed. The company also has a robust business continuity plan which is tested on a periodic basis to ensure business is not interrupted.

The company has a structured risk reporting mechanism to ensure risks are monitored and reviewed by CRO, Senior Management, RMCBs and Board on a periodic basis.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its business operations.

For effective risk management and control, the Company has established structures and responsibilities in line with the "Three Lines of Defense" model, where 1st line being business operations, 2nd line is the oversight functions like Risk Management and Compliance and 3rd line is Internal Audit. To maintain its objectivity and independence, the Internal Audit department reports to the Audit Committee. The Internal Audit department monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The Internal Audit department follows up on pending audit issues and ensures that corrective actions have been taken. Significant audit observations, if any, and corrective actions thereon, are presented to the Audit Committee of the Board.

CORPORATE GOVERNANCE

Your Directors wish to reiterate your Company's commitment to the highest standards of corporate governance in order to enhance trust of all its stakeholders. Strong & robust corporate governance practices have facilitated your Company in standing up to the continued scrutiny of domestic & international investors and that of various Regulatory authorities.

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is presented in separate section forming part of this Annual Report.

A Certificate from the auditors of the Company i.e. M/s. S. R. Batliboi & Co. LLP, Chartered Accountants conforming compliance to the conditions of Corporate Governance as stipulated under Para E of Schedule V of the Listing Regulations, is enclosed to this Report.

VIGIL MECHANISM

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any. The policy can be accessed on the Company's website.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the areas of promoting healthcare, education and rural development in accordance with Schedule VII of the Act.

The Annual Report on CSR activities is annexed herewith as Annexure A.

SUBSIDIARIES & ASSOCIATE COMPANY

As of March 31, 2022, your Company had three (3) subsidiaries. Two of such subsidiaries are overseas, being one each in Singapore and Mauritius and one subsidiary is in India. All the subsidiaries of the Company are engaged in financial services and related activities. In addition, the Company also has an Associate company in India, which has already surrendered its business license/ regulatory approval to act as a Pension Fund Manager. This particular company currently has no business operations and it is therefore proposed to wind it up, in accordance with the applicable laws.

A statement w.r.t. the performance and the financial position of the subsidiaries of the Company is forming a part of the Consolidated Financial Statements of the Company.

The performance of financial position of the subsidiary companies is presented in the Management Discussions and Analysis Report forming part of this Annual Report. The policy for determining material subsidiary companies

may be accessed on the Company's website at <https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

KEY MANAGERIAL PERSONNEL

During the year under review, the following employees were the 'Key Managerial Personnel' of the Company:

- a) Mr. Sundeeep Sikka – Executive Director & Chief Executive Officer;
- b) Mr. Ajay Patel - Manager;
- c) Mr. Prateek Jain - Chief Financial Officer; and
- d) Ms. Nilufer Shekhawat – Company Secretary.

During the year, Mr. Sundeeep Sikka has been re-appointed as the Executive Director & CEO of the Company for a term of 5 years commencing from April 22, 2021.

DIRECTORS

During the year, Mr. Yutaka Ideguchi [Nominee Director of NLI] resigned from the directorship of the Company w.e.f. March 30, 2022. Mr. Kazuyuki Saigo [Nominee Director of NLI] who was a Director of the Company as on March 31, 2022, resigned as such effective April 21, 2022. Mr. Tomohiro Yao and Mr. Minoru Kimura [Nominee Directors of NLI] were appointed as Additional Directors of the Company w.e.f. April 21, 2022.

All the Independent Directors of your Company i.e. General Ved Prakash Malik (Retd.), Ms. Ameeta Chatterjee, Mr. Ashvin Parekh and Mr. B. Sriram, have already furnished the required declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfil the conditions specified in the Act and the Rules made thereunder and are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of Two years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. All the Independent Directors of the Company are exempt from the requirement to undertake online proficiency self assessment test.

PERFORMANCE EVALUATION OF DIRECTORS, BOARD AND COMMITTEES

The Company has devised a policy for the performance evaluation of the individual directors, Board and its Committees, which also includes the criteria for carrying out the said performance evaluation. Pursuant to the provisions of the Act and Regulation 17(10) of Listing Regulations and as prescribed in the stated policy of the Board, the Board has carried out an annual performance evaluation of (i) the Directors (Independent and non-independent); (ii) itself (as a whole); (iii) its committees and (iv) fulfillment of Independence criteria. The Board performance was evaluated based on inputs received from the Board members after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. In terms of the requirements of the Act, a separate meeting of the Independent Directors was also held during the year.

BOARD AND COMMITTEE MEETINGS

During the year under review, nine (9) Board meetings were held.

Your Directors wish to inform that the functioning of the Board is supplemented by various committees (Board sub-committees and management committees), which have been constituted from time to time, such as Audit Committee, Committee of Directors, CSR Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee of the Board, IT Strategy Committee, Valuation Committee, Investment Committee, Risk Management Committee, Allotment Committee, Broker Empanelment Committee, Operating Committee, Compliance Committee, Stewardship Committee, Proxy Voting Committee, Information Security Risk Management Committee, etc. to name a few. Each of the aforesaid Committees has been constituted in order to ensure due compliance with the applicable laws and to ensure that highest levels of corporate governance are followed and practiced. The minutes of the meetings of each of these Committees are duly placed before the Board for noting and confirmation.

AUDIT COMMITTEE

In terms of the requirements of Section 177 of the Act, and Regulation 18 of the Listing Regulations, the Audit Committee of the Company consists of majority of Independent Directors. As on date of this report, it comprises Mr. Ashvin Parekh [Independent Director], Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director], Mr. B. Sriram [Independent Director], Mr. Akira Shibata [Non- Independent Director] and Mr. Minoru Kimura [Non- Independent Director]. Mr. Ashvin Parekh acts as the Chairperson of this Committee.

During the year, seven (7) meetings of the Audit Committee were held. Other relevant details in this regard have been provided in the Corporate Governance Report.

NOMINATION & REMUNERATION COMMITTEE

In terms of the requirements of Section 178 of the Act, and Regulation 19 of the Listing Regulations, the Nomination & Remuneration Committee of the Company consists of majority of Independent Directors. As on date of this report, it comprises, Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director], Mr. Ashvin Parekh [Independent Director], Mr. B. Sriram [Independent Director], Mr. Tomohiro Yao [Non-Independent Director] and Mr. Minoru Kimura [Non-Independent Director]. General Ved Prakash Malik (Retd.) acts as the Chairperson of this Committee.

During the year, four (4) meetings of the Nomination & Remuneration Committee were held. Other relevant details in this regard have been provided in the Corporate Governance Report.

The Nomination & Remuneration Policy has been provided as Annexure B to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of the requirements of Section 135 of the Act, the Corporate Social Responsibility ("CSR") Committee of the Company consists of Eight members. As on date of this report, it comprises Mr. Tomohiro Yao [Non-Independent Director], Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director], Mr. Ashvin Parekh [Independent Director], Mr. B. Sriram [Independent Director], Mr. Sundeep Sikka [CEO & Executive Director], Mr. Akira Shibata [Non-Independent Director] and Mr. Minoru Kimura [Non-Independent Director]. Mr. Tomohiro Yao acts as the Chairman of this Committee.

During the year 2021-22, two (2) meetings of the CSR Committee were held. Other relevant details in this regard have been provided in the Corporate Governance Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of the requirements of Section 178 of the Act, and Regulation 20 of the Listing Regulations, the Stakeholders' Relationship Committee of the Company consists of five members. As on date of this report, it comprises Ms. Ameeta Chatterjee [Independent Director], Mr. Ashvin Parekh [Independent Director], Mr. B. Sriram [Independent Director], Mr. Tomohiro Yao [Non-Independent Director] and Mr. Sundeep Sikka [CEO & Executive Director]. Ms. Ameeta Chatterjee acts as the Chairperson of this Committee.

During the year, two (2) meetings of the Stakeholders' Relationship Committee were held. Other relevant details in this regard have been provided in the Corporate Governance Report.

RISK MANAGEMENT COMMITTEE

In terms of the relevant requirements under the Listing Regulations, the Company has constituted a Risk Management Committee of the Board. The Committee presently comprises of Mr. Tomohiro Yao [Non-Independent Director] as the Chairperson, Mr. Akira Shibata [Non-Independent Director], Mr. Sundeep Sikka [CEO & Executive Director], Mr. Ashvin Parekh [Independent Director], Mr. B. Sriram [Independent Director] and Mr. Rishi Garg [Chief Risk Officer] as its members.

During the year, two (2) meeting of the Risk Management Committee of the Board were held. Other relevant details in this regard have been provided in the Corporate Governance Report.

AUDITORS' OF THE COMPANY - STATUTORY AND INTERNAL

Statutory Auditors:

M/s. S. R. Batliboi & Co. LLP, Chartered Accountants shall hold office as Statutory Auditors of the Company until the conclusion of the 28th Annual General Meeting.

Internal Auditors:

JHS & Associates LLP, Chartered Accountants were appointed as the Internal Auditors' of your Company for the financial year 2021-22. Your Directors have also approved their re-appointment as such for the financial year 2022-23.

AUDITORS OF THE SCHEMES OF NIPPON INDIA MUTUAL FUND- STATUTORY AND INTERNAL

In accordance with the applicable provisions of law, the Company has appointed Statutory and Internal Auditors for various Schemes of Nippon India Mutual Fund, who periodically submit their reports, which are placed before the Audit Committee for discussion, review and implementation of their recommendations.

Statutory Auditors:

M/s. Walker Chandiook & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Schemes of Nippon India Mutual Fund for the financial year 2021-22.

Internal Auditors:

During the year, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as Internal Auditors of the Scheme of Nippon India Mutual Fund and the portfolio management services division of the Company, for the financial year 2021-22. Your Directors have also approved their re-appointment as such for the financial year 2022-23.

AUDITORS' REPORT

The observations and comments given by the Statutory Auditors in their report read together with notes on financial statements are self-explanatory and hence does not require any further comments in terms of Section 134 of the Act.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors had appointed M/s. M. Siroya and Company, Mumbai, a firm of Company Secretaries in-practice to undertake the Secretarial Audit of the Company for the financial year 2021-22. In this regard, the Report submitted by the Secretarial Auditor is annexed as Annexure C.

Your Directors are pleased to inform that the report from the Secretarial Auditors does not contain any qualifications or negative remarks.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company has been placed on the website of the Company and can be accessed at <https://mf.nipponindiaim.com/investor-service/customer-service/nam-india-shareholders-investors>

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY:

The operations of the Company do not consume high levels of energy. Adequate measures have been taken to conserve energy wherever feasible. Your Company uses latest technology and energy efficient equipment's. Your Company only uses LED lights and 5 star air-conditioning for majority of offices. As energy cost forms a very small part of the total costs, the impact on cost is not material.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

➤ Game changing initiatives:

- **The All-new Investor App:** This year marked the launch of our New Investor App (Android), a key Digital transformation endeavor that is aimed to strengthen our already robust Digital ecosystem. It is a new-age asset that is styled for millennials & zillennials and simplified for the legacy investor

base. We believe that the savvy consumers of today invest first in digital experiences and in mutual funds afterwards, and that's exactly how we've built the new app – with next level, simplified and intuitive interface coupled with new age features and capabilities – to provide best in class, enhanced digital experience for our investors. With the best of e-commerce practices at its heart – contemporary design, quick product discovery, aided decision making, and personalized experiences based on intelligent analytics – this app is all that our investors will ever need to manage their investments with NIMF.

While contemporary design and new features and enhancements are a part of the re-build, some of the key highlights of the rebuild are:

- Completely self-serve and frictionless on boarding process
- 'Investor journey' centric flows (and not inward out, classic Product & Service bouquet approach)
- Discoverability: Products & Services are available in line with user expectations
- Enhanced purchase experience: Cart Buying and Drop-off win-back; express checkout for repeat transactions
- Scalable framework: Leveraging Digital stack (Targeting, Campaigns, Analytics, etc.) for a more enriching and powerful experience
- **New Fund Offers - Digital Launches:** The Nippon India Flexi Cap Fund was one of the biggest success stories for Digital enabling lucid access for investors & partners across all our Digital assets. Apart from that we Digitally enabled other prominent products for FY21-22 including Nippon India Taiwan Equity Fund and Nippon India Silver ETF F-o-F. Apart from that, on the ETF front, we also enabled Nippon India Nifty Pharma ETF, Nippon India Nifty Auto ETF & Nippon India Silver ETF. We also had a very innovative Index offering made live viz. Nippon India Nifty AAA CPSE Bond Plus SDL – Apr 2027 Maturity 60:40 Index Fund
- **Growth Enablers for Business Easy with 2.0 App:** Business Easy 2.0 app, our Digital asset with our distributors, is an all-encompassing solution that acts as a complete Customer Relationship Management tool. The app works as a Digital branch through which distributors can manage their Mutual Fund business virtually. With the objective of evolving the app from a business facilitator to a growth enabler, this year saw the addition of new enhancements and features to the app. A quick overview of such features is as follows:

- Comprehensive Dashboard with Performance review distributor's AUM, SIP Book value, Business health trends, in-depth customer base understanding
- SIP Corner for focused SIP sustenance, retention, and win-back
- Advanced Funds & Performance module with a more in-depth view of all products and granular understanding of fund facts & stats
- **WhatsApp Scale-up:** Having launched the pilot version of our WhatsApp advent which comprised of Liquid Fund purchase, e-KYC check & Digital asset access, we scaled up our WhatsApp capability with comprehensive transaction & service capabilities – purchase in all funds, all transaction types and multiple service modules. This implementation dovetails into our philosophy of building our Digital presence in line with the preference of our investors. This service paves the way for increased market penetration of NIMF products and unlocks opportunities by enabling reach out to a vast 500mn WhatsApp user base in India
- **Intelligent interventions for business retention and growth:** We have built system driven, smart and automated measures across various investor journeys with the objective of creating positive business impact. These interventions either nudge users to take prudent & effective decisions in a real-time manner to stay invested or help them with alternate options while if they encounter any outages or errors. Such measures delivered consistent growth in AUM retention and augmentation and saw an uplift of 60% in such positive impact when compared with last FY.
- **Dynamic Real time mailers:** In a real time world, it is important that consumers are given real time information that might help them to take conscious and informed investment decisions. NIMF pioneered deep tech enabled mailers. The same fetched real time data (viz Sensex movement, NAVs, returns etc.) from the server whenever opened. This gave a clear visibility to the investor on what were the relevant avenues for either fresh investment or additional investment. This was widely cherished by new and existing investors and yielded high usage
- **Leveraging Beta products from Google:** NIMF has been a pioneer at Conversational Commerce, and this was done in partnership using the Voice assistant capabilities from Google. On the base of this strong partnership NIMF in FY 21-22 was at the helm of leveraging Beta Products from Google like the newly launched Performance Max. A successful implementation and more than desired results got

NIMF mentioned in Google India Case study for the best use of Performance Max beta to drive incremental business using Artificial Intelligence & Machine learning.

- **Strengthening our Digital Distribution through Strategic Alliances and Enhanced Support to Partners:** We added some key partners and more importantly products into their positioning suites, like Genius from ET Money. We also were one of the firsts to launch SIPs on PhonePe platform. Other key players like Paytm, Groww, Kuvera, IND Money Tarrakki, etc., continue to bolster our executional leadership and expansive reach. Our immense expertise in the core business of Asset Management and prowess in Digital Business gives us an unparalleled advantage to engage with our Partners at an even deeper level and help them set up and scale up their businesses. Our knowledge and know-how, shared with the Partners and their customers by our Fund Managers and Investment Experts on such Partners' platforms coupled with integrated marketing campaigns have educated the investors and helped them make the right decisions. Our robust engagement strategy coupled with focused execution has not only helped us build great equity with Partners but also helped win the trust of investors which has resulted in growth of business volumes on such platforms, thereby benefitting both us and the Partners. We have a definitive lead in the Digital Partnerships space and have managed to forge a clear position for NIMF as being the partner of choice for such players.

- **Setting up of New NAM India Technology Applications**

A challenge posted due to the migration to our new Nippon environment was how to securely perform a complete data transfer of our SAP data. Thanks to careful planning, execution and a lot of communication with involved stakeholders we were able to successfully set up NAM India's own SAP environment after mitigating several risks. This was performed with minimum downtime and no effect on NAM India's books of accounts.

During the pandemic we have rolled out solutions and infrastructure enhancements that has allowed NAM India to continue working in an offline situation without exception. Initiatives such as secure VPN for data access, communication software, online approval workflow on block chain are a few initiatives that have been implemented.

- **Managing regulatory requirements**

There were several new regulations brought in by the regulatory body resulting in multiple

new enhancements that had to be performed under strict deadlines. Some key projects such as database encryption, recording of conversations on Teams calls and mobile phones, two factor authentication were executed and the regulations complied with.

• **Optimizations in Investment and Digital Portfolio**

During the year there were several enhancements performed in the investment portfolio to comply with regulation change and to bring in operating efficiency. On the digital portfolio side new functionality in the form of New Investor App, enhancement in workflows and new fund offers were launched with a great degree of success. Certain processes on the digital side that were affecting user experience were examined and enhanced to perform faster leading to an increase in the customer experience index of the digital offerings.

• **Process Enhancements**

NAMIndiaIT is working in a continuous improvement cycle to improve our various technology and process towards enhancing our contribution to the company, stakeholders and our customers. We have shown significant improvement in our issue resolution process and our results indicate a steady increase in our customer issue resolution index over the financial year. We also have maintained high up and response times on all our critical investment and digital platforms. This has resulted in consistent and predictive working of our offerings to our end customers.

Another initiative to build automation to further optimize processes is underway and several processes across operations, risk and investment functions are expected to be automated in the new financial year. This will lead to efficiency gains across functions. Technology will continue to identify processes that can be automated and continues to partner with functions on the same.

❖ **Key Results of 2021-2022:**

- Digital Business touched a record 2.9+ million purchase transactions FY 2021-22, which is essentially 1 purchase every 6 seconds! This increase is a ~60 % YOY growth.
- Contribution of Digital Business to overall NIMF business stands at 58%, which is a growth of ~12% over last FY where Digital contribution was at 52%.
- Digital Business share in Lumpsum purchase and new SIP registrations stood at 60% and 48% respectively vis-a-vis total purchase transactions of NIMF.

- Long term assets focus resulted in 90% non-Liquid acquisitions compared to 75% in FY2020-2021.
- 45% of our digital consumers are less than 35 years of age

❖ **Awards & Accolades:**

NIMF Digital has been setting a benchmark across the BFSI industry in its Fintech endeavors across the Digital Ecosystem. It is now recognized as a Digital benchmark across industries. Both Global and Indian forums have further recognized NIMF's expertise and supremacy in the Digital arena. As in the previous years, we have yet again been conferred with some coveted awards this year as well which further strengthens our position as a Digital leader in the BFSI space

- Global Digital Marketing Awards for 'Best use of Facebook AI tool in performance campaigns' (April 2021)
- ACEF Global Customer Engagement Awards 2021 for 'Digital Marketing, Data driven Marketing, Email Marketing and Mobile Marketing' - 5 awards (4 Golds and 1 Silver) (May 2021)
- Mint | TechCircle - Business Transformation Award 2021 for 'Revenue Generation - Product & Service Augmentation' – Business Easy (June 2021)
- Indian Digital Marketing Awards for 'Best App Developed for Products / Services' – Business Easy (July 2021)
- Indian Digital Marketing Awards for 'Best Use of sites for Mobiles' – NIMF Purchase Mobile Site (M-site) (July 2021)
- Digital Crest Awards 2021 for 'Expertise in Online Commerce, Omni Channel Strategy and Mobile Marketing' - 3 awards (1 Gold, 1 Silver and 1 Bronze) (August 2021)
- The Great Indian Marketing Awards for 'Best performing campaign for Google's Performance-max' (August 2021)
- Maddies Marketing Award 2021 for the 'Most Effective Voice Assistant App' (in the Enabling Technologies category) – Simply Save Conversational Commerce (November 2021)
- Dynamic CIO Award for 'Smart Innovator' (in the Technology Innovation category) – Simply Save Conversational Commerce (November 2021)

RESEARCH AND DEVELOPMENT:

DIGITAL ADOPTION AND INNOVATION:

We, at Nippon India Mutual Fund, continue to envision and execute key Digital transformation endeavors year on year that are aimed to strengthen our already robust Digital ecosystem.

- Our focus always remains on empowering our investors during moments of truth and on a 'here & now' manner to take quicker, smarter, and well-informed decisions on how and where they should invest their money when they transact on our Digital assets. Such empowerment is fueled by our capabilities to crunch & run real-time analysis on the enormous amount of on-asset & offline data points we have regarding our consumers, their past purchases, and future propensities.
- Our intelligent, data led digital assets, can learn, and predict user behavior powered by both the real time frameworks and archived analytical frameworks which are operating on an advanced algo network. This helps in e-serving highly personalized and customized experiences to give our millennial, zillennial and legacy investors or partners accurate recommendations, suggestions, on-the-fly nudges, predictive service and much more as they advance in their journeys.

NAM India Technology is continuously engaging in research and development to pick and choose the best of technology solutions to our stakeholders

- NAM India Technology continues to explore opportunities with Fintech and Technology vendors to identify the next best solution that can be a game changes in the industry
- The technology team also follows and explores software, hardware, security and network enhancements in the technology world and attempts to identify key components that can change the way we do work in the organization and industry.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company earned foreign exchange equivalent to Rs. 22.85 Cr (Previous Year: Rs. 21.79 Cr). The Company spent foreign exchange equivalent to Rs. 6.98 Cr (Previous Year: Rs. 6.49 Cr).

DIRECTORS' RESPONSIBILITY STATEMENT

As per the requirements of Sub Section (5) of Section 134 of the Act, the Directors confirm that -

- (i) In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and that there are no material departures;
- (ii) The Directors have selected such accounting policies in consultation with the Statutory Auditors' and have applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of

the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year under review;

- (iii) The Directors have taken proper and sufficient care to the best of their knowledge and ability 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 have prepared the annual accounts of the Company on a 'going concern' basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered into/ by the Company during the financial year under review with related parties were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

All Related Party Transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their review on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the following link:

<https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

Your Directors draw attention of the members to Note No. 29 to the financial statement which sets out related party disclosures.

PARTICULARS OF FRAUDS REPORTED BY THE AUDITORS'

In terms of Section 143(12) of the Act, M/s. SR Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company have not reported any instance of fraud having taken place during the year under review, in their Audit Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

DETAILS OF APPLICATION MADE BY THE COMPANY OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company invests in various debt market instruments (non-convertible debentures) issued by various issuers. In order to realize the debenture outstanding's, the Company has filed certain applications under the Insolvency and Bankruptcy Code, 2016. The Mutual Fund Division of the Company has filed (a) an IBC proceeding against Avantha Holdings Limited in January 2020 before Hon'ble NCLT New Delhi which is currently at pre-admission hearings stage. The Company is also a respondent party to an IBC proceeding filed in the matter of Reserve Bank of India v. Dewan Housing Finance Corporation Limited pending before the Hon'ble NCLT, Mumbai.

The Portfolio Management Services Division of the Company has filed: (a) IBC proceedings against Fortuna Buildcon India Private Limited which was filed in November 2017 before the Hon'ble NCLT, Bangalore, wherein currently the resolution plan has been submitted to the Hon'ble NCLT for approval (b) three IBC proceedings against three Biodiversity Conservation India Private Limited group companies (BCIL Zed Ria Properties Private Limited, BCIL Red Earth Developers India Pvt Ltd and Biodiversity Conservation India Private Limited) were filed in December 2017 before the Hon'ble NCLT, Bangalore. The NCLT has approved resolution plans in BCIL Zed Ria Properties Private Limited and in BCIL Red Earth Developers India Pvt Ltd, which are currently under implementation while Biodiversity Conservation India Private Limited is currently under liquidation. The Company is also a respondent to 2 (two) appeals in BCIL Red Earth Developers India Private Limited and in 3 (three) appeals in BCIL Zed Ria Properties Private Limited, before Hon'ble NCLAT, Delhi, which have been filed challenging the approved resolution plans; (c) IBC proceedings have been filed against the promoters of Biodiversity Conservation India Private

Limited in November 2020 before Hon'ble NCLT, Bangalore which are currently at a pre-admission stage; (d) IBC proceeding filed against Green Valley Shelters Private Limited in December 2019, before Hon'ble NCLT, Chennai, was admitted in August 2021, however the proceedings are currently temporarily stayed under an order of the Supreme Court. The Company is a respondent in a civil appeal filed by the promoters of Green Valley Shelters Private Limited before the Hon'ble Supreme Court, challenging the admission of IBC proceedings against Green Valley Shelters Private Limited, which is currently pending under directions of exploring a settlement; (e) an IBC proceeding filed against the promoters of Green Valley Shelters Private Limited in October 2020 before the Hon'ble NCLT, Chennai was admitted in January 2022 and is pending final orders appointing the resolution professional; (f) an IBC proceeding was filed against Arkie Atelier Design India Private Limited, being the corporate guarantor for the debentures issued by Green Valley Shelters Private Limited in November 2021 and is currently at a pre-admission stage; (g) an IBC proceeding filed against Bharucha & Motivala Infrastructure Private Limited, being corporate guarantor for the debentures issued by Lake District Realty Private Limited, in November 2019 before Hon'ble NCLT, Mumbai was admitted in May 2021, but has been stayed pursuant to an order of the Hon'ble NCLAT in July 2021. The Company is a respondent in the appeal filed by the promoters of Lake District Realty Private Limited before the Hon'ble NCLAT, Delhi, challenging the admission of IBC proceedings against Bharucha & Motivala Infrastructure Private Limited, which is currently at its final arguments stage; (h) IBC proceedings have been filed against the promoters of Lake District Realty Private Limited in November 2021, which is currently at a pre-admission stage; (i) an IBC proceedings has been filed against Ashapura Options Private Limited, being the corporate guarantor for the debentures issued by Ashapura Housing Private Limited in February 2022 which is at a pre-admission stage. (j) IBC proceedings have also been filed against four (4) promoter guarantors of Ashapura Housing Private Limited, which are at a pre-admission stage.

COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

DOWNSTREAM INVESTMENTS

During the year, the Company has made a downstream investment in AMC Repo Clearing Limited to the extent of Rs. 9,25,87,830. The certificate from the Statutory Auditor confirming the compliance of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 with respect to the Company's downstream investment

has been received and will be available for inspection. Any member interested in obtaining the same may write to the Company Secretary and the same will be furnished on request.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annexure to the Board's Report. Disclosures relating to the 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, as amended also forms part of this Report. However, having regard to the provisions of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining the said information may write to the Company Secretary. Upon such request the information shall be furnished.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. Following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: 0
- No. of complaints disposed off: 0

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report for the year under review as stipulated under Listing Regulations is presented in the separate section forming part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the co-operation received from various regulatory and governmental authorities including SEBI, RBI, Registrar of Companies, Maharashtra at Mumbai, PFRDA, NPS Trust, EPFO, CMPFO, Stock Exchanges, Depositories, Custodians, Bankers, Registrar, Shareholders, Investors and all other business constituents during the year under review. We believe all of them have contributed to our continued growth.

Your Directors also wish to place on record their deep appreciation for the total commitment displayed by all the executives, officers and staff, resulting in yet another eventful performance for the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF NIPPON LIFE INDIA ASSET MANAGEMENT LIMITED

Ashvin Dhirajlal Parekh
Director
(DIN: 06559989)

Sundeep Sikka
Executive Director & CEO
(DIN: 02553654)

Place : Mumbai

Dated : April 26, 2022

ANNEXURE - A

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2021-22

Brief outline on CSR Policy of the Company:

Our Company's vision is to improve and sustain lives by making a meaningful and measurable impact on the lives of the communities wherever it operates by maintaining the highest ethical standards. We believe in creating synergies with our partners and communities and are committed to augmenting the overall economic and social development of local communities. Our Corporate Social Responsibility's (CSR) strength lies in improving the quality of life of the under-served sections of the society by focusing on Healthcare, Education, Skill Development, Environment

Sustainability, Rural Development, Sports and support towards Armed forces and or any other activities under Schedule VII of the Companies Act, 2013 for the service of the nation and the greater good of the communities. We believe in transformation by inter-weaving social responsibility by influencing not only the employees but mobilising various stakeholders to embrace responsible social practices in their respective spheres of life. Our CSR policy sets the framework guiding the Company and its subsidiaries' CSR activities. It re-affirms our commitment and faith to preserve and augment natural progression of growth both for communities and resources.

Details of the CSR Policy formulated in compliance with the provisions of the Companies Act, 2013 are available on <https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

(i) During the year the Composition of CSR Committee was as under:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Kazuyuki Saigo – Chairperson*	Non- Independent Director	2	1
2.	Ameeta Chatterjee	Independent Director	2	2
3.	General Ved Prakash Malik (Retd.)	Independent Director	2	2
4.	Akira Shibata	Non- Independent Director	2	2
5.	Sundeep Sikka	Executive Director & CEO	2	2
6.	Ashvin Parekh	Independent Director	2	2
7.	B. Sriram	Independent Director	2	2
8.	Yutaka Ideguchi @	Non- Independent Director	2	1

@ Mr. Yutaka Ideguchi resigned from the Board on 30th March 2022.

*Mr. Kazuyuki Saigo resigned from the Board on 21st April 2022.

(ii) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company –

Composition of the CSR committee shared above and is available on the Company's website on <https://mf.nipponindiaim.com/InvestorServices/Pages/Committees.aspx>

CSR policy –Attached as Annexure I and also available on the website of the Company at <https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

CSR projects- <https://mf.nipponindiaim.com/InvestorServices/pdfDocuments/NAM-India-CSR-Projects.pdf>

(iii) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – None.

(iv) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Nil

(v) Average net profit of the company as per section 135(5) – Rs. 636.68 Crore

(vi) Details of:

1. Two percent of average net profit of the company as per section 135(5)- Rs. 12.73 Crore

2. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

3. Amount required to be set off for the financial year- Nil

4. Total CSR Obligation for Financial Year (1+2+3) - Rs. 12.73 Crore

(vii) A) CSR amount spent or unspent for financial year:

Total Amount Spent for the Financial Year (in Rs Crore)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs Crore)	Date of transfer	Name of the Fund	Amount	Date of transfer
5.60	7.08	25th January 2022 (Rs 0.40 crore) 7th April 2022 (Rs 6.68 crore)	NA	NA	NA

B) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in Rs Crore).	Amount spent in the current financial Year (in Rs Crore).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. Crore).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	CT Stimulator	Schedule VII- (i)Healthcare	Yes	Maharashtra	Navi Mumbai	Two years- till 31st March 2023	4.00	3.60	0.40	No	TMC-ACTREC	CSR00001287
2.	Olympic Gold Quest	Schedule VII- (vii) Sports	Yes	Pan India	Pan India	Two years- till 31st March 2023	2.00	0.00	2.00	No	Foundation for Promotion of Sports and Games	CSR00001100
3.	SAFAL- Sustainable Livelihood Initiative	Schedule VII- (iv) & Schedule VII- (x) Environment Sustainability & Rural Development	Yes	Odisha	Koraput and Nowrangpura	Two years- till 31st March 2023	1.08	0.00	1.08	No	EdelGive Foundation	CSR00000514
4	Integrated Development of School and Community	Schedule VII- (iv) & (x) Environment Sustainability & Rural Development	Yes	Jharkhand	Dhanbad	Two years- till 31st March 2023	2.60	0.00	2.60	No	The Energy Resources Institute	CSR00002051
5	Pragati, integrated programme on health and development	Schedule VII- (x) Rural Development	Yes	Maharashtra	Thane	Two years- till 31st March 2023	1.00	0.00	1.00	No	Tata Institute of Social Sciences	CSR00003475
	TOTAL						10.68	3.60	7.08			

C) Details of CSR amount spent against other than ongoing projects for the financial year:

1 Sl. No.	2 Name of the Project	3 Item from the list of activities in schedule VII to the Act	4 Local area (Yes/ No)	5 Location of the project		6 Amount spent for the project (in Rs Crore)	7 Mode of implementation on - Direct (Yes/No)	8 Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Matru Chaya-Life Care Home	(vi) Support to Armed Forces	Yes	Telangana	Hyderabad	1.00	No	Army Central Welfare Fund	CSR00001826
2.	Rashtriya Netra Yagna	(i) Healthcare	Pan India	Pan India	Pan India	1.00	No	Vision Foundation of India	CSR00002065
	Total					2.00			

D) Amount spent in Administrative Overheads – 0.32 Crore

E) Amount spent on Impact assessment - Nil

F) Total amount spent for financial year – Rs. 13.00 Crore

G) Excess Amount for Set off, if any - Nil

Sl. No.	Particular	Amount (in Rs Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	12.73
(ii)	Total amount spent for the Financial Year	13.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.27
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.27

(x) A. Details of Unspent CSR amount for the preceding three financial years -Nil

B. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)
- Nil

(xi) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- Date of creation or acquisition of the capital asset(s) - NA
- Amount of CSR spent for creation or acquisition of capital asset - Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Will be disclosed post creation of the asset

(xii) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not Applicable.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NIPPON LIFE INDIA ASSET MANAGEMENT LIMITED

Tomohiro Yao
Chairman-CSR Committee
(DIN: 08429687)

Ashvin Dhirajlal Parekh
Director
(DIN: 06559989)

Sundeep Sikka
Executive Director & CEO
(DIN: 02553654)

Annexure I

NAM INDIA GROUP CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction

1. Nippon Life India Asset Management Limited ("the Company" or "NAM India") is the asset manager of Nippon India Mutual Fund (NMF).
2. The Company recognizes the importance of good corporate governance and corporate social responsibility and envisages to nourish and sustain the ecosystems on which it operates by aiming for growth through sustainable development.
3. The Company is a socially responsible financial services company that strives to improve the quality of life of the under-served sections of society, by focusing on Skill Development, Education, Healthcare and Environment, Sports & Support for armed forces for the service of the nation and the greater good of the communities in which we operate.
4. The Company's CSR Policy has been framed in accordance with Section 135 of the Companies Act 2013 read with schedule VII of the Companies Act, 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time and in line with the Government of India's notifications issued from time to time.

2. CSR Policy

2.1 Guiding Charter

1. The primary purpose of the Company's CSR philosophy is to maintain the highest ethical standards, while on its mission to improve and sustain lives around the world. The Company strives to make a meaningful and measurable impact in the lives of the communities wherever it operates.
2. The Company believes in creating synergies with our partners and communities for growth and success. We are committed to augment the overall economic and social development of local communities by discharging our social responsibilities in a sustainable manner.
3. The Company believe employee volunteering is an important element in our initiatives. We believe communities can benefit from skills and experiences of our staff. Our employees while supporting communities gain knowledge and new skills will also help us build strong relationships with the communities in which we operate while gaining a more engaged, skilled and motivated workforce.

4. The Company upholds its commitment to serve and partner with government and multi/bi-lateral agencies in nation building. It aims to leverage the expertise of multi-lateral agencies in designing programmes that would complement the efforts of government development programmes. It shall respect the various traditions and cultures of our country and is committed to preserve and document history and art for the benefit of present and future generations.
5. This policy will serve as a guiding document containing approach and direction given by the Board, considering the recommendations of the CSR Committee, defining guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

2.2 Objective

The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company will undertake CSR activities specified in Schedule VII of the Companies Act, 2013. The framework enables business heads to put in place policies and practices in line with this policy.

2.3 Scope

1. The CSR Policy is an overarching policy applicable to the Company and its subsidiaries. (hereinafter referred to as "Group")
2. The policy will apply to all employees across the bandwidth of Company and its subsidiaries. Their commitment and involvement in putting the policy into action would support us in achieving our principles and mandate and adhering to global standards.

2.4 Governance Structure

Overall governance of CSR and approving of the CSR Policy will be the responsibility of the Board through the CSR Committee

The Board of the Company will be responsible for:

- Setting up the CSR Committee as per the Act
- Making any change(s) in the constitution of the CSR Committee as deemed suitable
- Approving the CSR policy as formulated and recommended by the CSR Committee.
- The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy,

- Ensuring proper implementation of the CSR Policy along with the funds committed by the Company for CSR Projects/ Programmes are utilised effectively and have an oversight on monitoring and reviewing of CSR Activities undertaken by the Company and provide inputs as and when require
- In case of ongoing project, as defined under the Companies (CSR Policy) Amendment Rules 2021, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR Projects / Programmes on the Company website; and
- The CSR Department of the Company will be responsible for administering and executing the policy. As the Company's CSR activities evolve further, the policy may be revised with the approval of the Board as per the recommendations the CSR Committee
- The Board shall satisfy itself that the disbursed funds have been utilised for the purposes and in the manner approved by it and the Chief Financial Officer or the person responsible for the financial management shall certify to the effect.
- All other Group companies will/have constituted CSR Committee of Directors as per applicability under Rule 3 of the Companies (Corporate Social Responsibility Policy) Amendments Rules, 2014.

2.5 The CSR approach

At NAM India Group, the approach is to interweave social responsibility into the company's mainstream business functions through translating commitments into policies, which not only drive all employees but influence and mobilize stakeholders, especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

The policy affirms our commitment to preserve natural resources and augment the growth of the communities we operate in, with a concentrated effort by ensuring that its employees contribute and volunteer for various community development initiatives.

The Group has defined certain areas under which it will implement its CSR Projects or Programmes in a multistakeholder approach covering all social, environmental, and economic aspects.

1. Environmental Sustainability

The guiding line for the environment is the 5 'Rs': Reduce, Reuse, Recycle, Renew and Respect. The imperative is to use natural resources efficiently to leave a minimal carbon footprint and impact on diversity.

The Group will initiate multiple projects implemented directly or through implementing partners to promote conservation & ecological balance, protection of flora and fauna, animal welfare including rejuvenation efforts of river Ganga and Swachh Bharat Abhiyan.

The Group will encourage investment in projects or Programmes which would focus on energy efficient technology, developing friendly products and services, water conservation, access to water, promotion of green energy, public transport and encourage use of alternate energy. It will also work in the areas of Environmental, Social and Governance and Sustainability

2. Rural Development

The Group with an objective of contributing to the improvement of the economic and social well-being of people in rural areas, will initiate projects or Programmes that empower the rural population. These will range from providing infrastructural support, innovative products or services for healthcare, education, water and soil conservation, livelihood development and or any other such projects or Programmes required for the development of rural communities to augment overall economic and social development of local communities

3. Healthcare and Sanitation

Healthcare and Sanitation is of universal concern across the spectrum of the community. The Group is committed to contribute towards improving the health, hygiene and sanitation needs of the community through promotion of primary healthcare including preventive and palliative healthcare needs.

The Group shall promote wellness among its communities through innovative products and services, infrastructural development and create awareness on health, hygiene, wellness and sanitation etc to bring in a behavioural change. This also includes contributions made to specific funds set up by Central Government and provisions made as eligible under Schedule VII updated from time to time.

4. Education and Skill Development

The Group believes that Education and Skill Development is the basic tool to bring development to an area and its population. By promoting access to education and skill-based training and learning, it aims to create a pool of human resources both across and beyond our area of operations with appropriate education and market relevant skills, thus contributing to nation building.

The Group will focus on implementing multitude of interventions towards holistic development of educational eco-system, promoting financial literacy, digital literacy, use of technology to make education accessible for all, financial and infrastructural support, providing skilling, re-skilling and multi-skilling and entrepreneurial support to different sections of the society including differently abled for meaningful employment.

5. Sports

The Group believes investment in sports as nation building, community development, empowerment, skill development and investment in health. It shall support promotion of rural sports, nationally recognized sports, Paralympic sports and Olympic sports. The objective is to help athletes to win medals in international tournaments, especially Olympic games by mainly providing them international level coaching, health fitness support and equipment, amongst others.

6. Support for Armed forces

India has one of the largest militaries and para military forces in the world. Their role is not limited to protecting the borders. The forces are very much active and supportive in every other adversity be it disaster, floods, earthquakes, cyclones or rescue operations. They make supreme sacrifice for the nation, but it is also a disaster in the lives of soldier's family and dependents. The martyr family is under tremendous stress in the event of a soldier laying-down life for the country. They cease to have a support system and regular income for the family. It also impacts adversely on children and their education

The Group's focus is to extend support to armed forces veterans, war widows and their dependents and such families by contributing to various government and other welfare funds along with implementing partners by providing healthcare, financial, educational and skill development support to the martyr families.

Armed Forces comprises of the Indian Army, Navy and Air Force, Central Armed Police Forces and Central Para Military Forces

7. Poverty Alleviation and Reduction of Inequalities

The Group shall implement projects or Programmes covering education, skill development, healthcare, inclusion and access to products and services to support underserved sections of the society such as rural population, urban poor and migrant population.

The Group's approach will be to implement CSR projects and Programmes which come under CSR Focus areas as defined in this CSR Policy statement, but it will not be restricted to these defined CSR focus areas only. On a case to case basis, the Group may also consider undertaking CSR Programmes and/or projects on CSR focus areas which are eligible under Section 135 read with schedule VII of the Companies Act along with the CSR Rules, 2014 as amended from time to time and in line with the Government of India's notifications issued from time to time and as may be approved by the CSR Committee.

2.6 CSR Budget

The Group will abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

In the event that any CSR funds remain unspent, the Board in its report shall specify the reasons for not spending the said amount. However, if such unspent CSR funds do not relate to any Ongoing Project, such unspent funds shall be transferred to an account specified under Schedule VII of the Act, within a period of six (6) months of the expiry of the financial year

In the event that any CSR funds remain unspent pursuant to Ongoing Project, the Group shall transfer such unspent CSR Funds to its Unspent Corporate Social Responsibility Account, within 30 (thirty) days from the end of the financial year. Such unspent CSR funds shall then be spent in accordance with the terms of this CSR Policy.

The Surplus arising out of CSR projects or Programmes or activities shall not form part of business profits of the Group.

In the event the Group spends an excess of the requirement provided under Section 135 of the Companies Act, such excess amount may be set-off against the budget of any financial year as eligible under the Companies Act and its amendments.

The Group may spend its CSR budget for creation of a capital asset subject to fulfilment of conditions specified under the Companies (CSR Policy) Amendment Rules, 2021 and any amendment to the same.

2.7 Guiding Principles for implementing CSR Projects/Programmes

The following procedures will be adhered to while undertaking / funding CSR activities/ projects / Programmes:

CSR activities will be undertaken in areas identified by the CSR Committee. An Annual Action plan shall be presented to the CSR Committee by CSR Working Group, if applicable and based on its recommendations, to the Board of Directors of the Group for approval

The Annual Action Plan shall incorporate the following:

- List of CSR projects or Programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- Manner of execution of such projects or Programmes
- Modalities of utilisation of funds and implementation schedules for the projects or Programmes;
- Monitoring and reporting mechanism for the projects or Programmes
- Details of need and impact assessment, if any, for the projects undertaken by the Group
- During any financial year, the Annual Action Plan of the Group may be modified with approval of the board, with reasonable justification to that effect, the Board shall ensure that the CSR activities are undertaken by the Group through:
 - ❖ A Company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other Company, and having an established track record of at least three years in undertaking similar activities. Or
 - ❖ A Company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government
 - ❖ Any entity established under an Act of Parliament or a State legislature; or

- Presentation of Project / Programme Details
- Scheduling of disbursements of funds relating to the Projects or Programmes and monitoring system in accordance with pre-agreed milestones with partners.
- The CSR Committee whilst making any contribution will specify the activities for which it is made, the amount for the same and the time period for the activity.

The following minimum criteria will be ensured while selecting entities for Project or Programme execution

- The Entity is a registered Society/ Public Charitable Trust/ not for profit organization established under Section 8 of the Companies Act, 2013 and is also registered with Central Government as required under section 4(2)(a) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time to time
- The Entity has a permanent office/ address in India
- The Entity has a valid Income Tax Exemption Certificate
- The Entity has submitted a detailed project proposal and budget which has been evaluated by CSR working group, if applicable.
- CSR projects or programmes or activities must be undertaken in India alone except for training of Indian sports personnel representing any State or Union Territory at National level of India at an International level.
- CSR activities must not include the activities undertaken in pursuance of normal course of business of the Group
- Project or Programmes or activities that benefit only the employees of the Group and their families shall not be considered as CSR
- Projects or Programmes or activities supported by the Group on sponsorship bases for deriving marketing benefits for its products or services
- Projects or Programmes or activities carried out for fulfillment of any statutory obligations under any law in force in India
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.

2.8 Monitoring

The CSR Committee shall ensure a well-defined and transparent monitoring mechanism to ensure that each CSR Project has clearly defined objectives developed out of existing societal needs or determined through baselines or secondary studies or research, where considered necessary along with targets, timelines, and measurable parameters.

The CSR Committee shall review the progress of CSR activities at least twice a year, including the annual review.

The Chief Financial Officer or person responsible for financial management shall certify that funds disbursed have been utilized for the purposes and submission of the same to the CSR Committee and the Board.

2.9 Volunteering

The Group will encourage and enable employees and other stakeholders to participate in the projects supported by it through Employee Volunteering Programmes (EVP). The Group will recognize the efforts put in by employees in CSR activities. The Human Resources team will play a specific role in building capacities, skills and talents under the concept of the Group's broader vision on CSR.

2.10 Impact assessment of Programmes

For projects having outlays of one crore rupees or more;

- Impact assessment shall be undertaken through an independent agency, if one year is elapsed post completion of project.
- The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- Expenses incurred for undertaking impact assessment may be booked towards Corporate Social Responsibility expenditure for that financial year; such that it shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

2.11 Dissemination of Information

The CSR Committee will report to the Board from time to time the status of the CSR projects/ activities undertaken by it, along with the report on the impact created by such projects/ activities.

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, CSR Policy and Projects/Programmes approved by the Board on the website of the Company.

ANNEXURE – B

NOMINATION AND REMUNERATION POLICY

1. Introduction

Nippon Life India Asset Management Limited (formerly known as Reliance Nippon Life Asset Management Limited) (“the Company” or “NAM India”) considers human resource as its invaluable assets. This policy aims to harmonise the aspirations of the Directors/ CEO & other employees with the goals of the Company. The Policy on nomination and remuneration of Directors, CEO & Senior Management Personnel (“SMP”) and all other employees has been formulated as below:

2. Objective

- a. To appoint right talent with required and relevant qualifications, experience, track record and behavioral competencies for key positions as defined under the SMP below;
- b. Ensuring that the quantum and composition of remuneration is reasonable and commensurate to attract, retain and motivate employees to participate in sustenance and fostering the growth of the Company;
- c. Laying out remuneration principles for employees linked to their efforts, performances and achievement in comparison with the benchmarks;
- d. Ensuring that the annual compensation review considers the industry / business outlook and strategies adopted by peers in the industry and distinguishing employees based on their performance, potential, skill sets and to protect the employees against inflationary pressures;
- e. Retention of high performers at all levels and those playing critical roles.

3. Scope

The Board has constituted the Board Nomination and Remuneration Committee (“NRC”) pursuant to the provisions of Section 178 of the Companies Act, 2013 and the rules made thereunder read with the Corporate Governance Guidelines as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). This Policy sets out the broad guiding principles for the Committee for recommending to the Board the appointment and remuneration of the Directors, CEO & SMP.

4. Definitions

- a. ‘Board’ means Board of Directors of the Company;
- b. ‘Director’ means a Director appointed on the Board of the Company;
- c. CEO means a Chief Executive Officer appointed by the Board of the Company;
- d. Senior Management Personnel (“SMP”) means all members of the core management team of NAM India, who are one level below the Chief Executive Officer and the Manager. Besides this, it also includes the Company Secretary.

5. Performance Management Process

We have a robust Performance Management & Review process which forms the basis of Compensation Review & Career Progression at Nippon Life India Asset Management Limited (formerly known as Reliance Nippon Life Asset Management Limited). The formal Annual Performance Review Process is initiated by the Human Resources function in the beginning of April every year, with an email communication from HR to all the employees of the Organisation.

Performance rating for the employees is largely based on their KPI achievements for last financial year along with their competency displayed and their potential. We also capture Employee’s Potential displayed on the job as Very High, High, Medium & Low i.e. his/her ability to work at the next levels.

6. Appointment

6.1. Appointment of the CEO

- a) NRC will recommend to the Board the appointment of the CEO for approval.
- b) Board of Directors approves the appointment of the CEO.

6.2. Appointment of the Senior Management Personnel (SMP)

- a) NRC will recommend to the Board the appointment of CFO, Manager & the Company Secretary for approval.
- b) Board of Directors approves the appointment of the CFO, Manager & the Company Secretary.
- c) In view of efficient and smooth functioning of business, NRC has authorized the CEO and the Chief Human Resource Officer (CHRO) to appoint all the other Key Personnel under SMP for timely closure of the Key Positions. Once

appointed, the details of their appointment will be shared with the NRC subsequently, for their perusal.

7. Remuneration

7.1. Remuneration of the CEO - Fixed Cost & PLI

- a) NRC will resolve the actual amount of the CEO's fixed cost / PLI and recommend them to the Board of Directors for approval.
- b) Board of Directors approves the Compensation for the CEO.
- c) All relevant data to be provided by CHRO.

CEO's ESOP

- a) NRC will resolve the actual value of ESOP Grant to the CEO and recommend them to the Board of Directors for approval.
- b) Board of Directors approves the ESOP Grant for the CEO.

7.2. Remuneration of SMP - CFO, Manager & the Company Secretary - Fixed Cost & PLI:

- a) CEO to propose and the NRC will resolve the increments and PLI amounts to be paid to the CFO, Manager & the Company Secretary.
- b) Board of Directors approves the Compensation for such Key Personnel.

ESOPs of Senior Management Personnel – CFO, Manager & the Company Secretary:

- a) NRC will resolve the actual value of ESOP Grant to be granted to the CFO, Manager and the Company Secretary and recommend them to the Board of Directors for approval.
- b) Board of Directors approves the ESOP Grant for the CFO, Manager and the Company Secretary

7.3. Remuneration of all other Employees - Fixed Cost & PLI

- a) The NRC will approve the upper limits for both the increment & PLI for all the other employees.
- b) CEO determines the total amount of increment & PLI payable to all other Employees which is within the maximum amount approved by the NRC.
- c) CEO & CHRO determine each of such employee's increment (Fixed CTC) / PLI within the total amount.

- d) NRC is informed of the final numbers after the payouts to all other Employees.
- e) Compensation of Top 20 Employees in terms of their salary to be shared directly with the NRC members by the CHRO.

ESOPs to all Other Employees

- a) The NRC would approve the total value of grant to all Other Employees

8. Nomination & Remuneration of the Directors

- a. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, background and experience on the Board, time commitments and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The Committee may utilize the services of an external Agency for this purpose. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
- b. While considering the candidature of any person for the office of the Director, the Committee would consider the integrity, qualification, positive attributes, independence, area of expertise, previous achievements, number of directorships & memberships already held by that person and time commitments. The Committee would also review the skill set held by that person, ability to contribute to the Company's growth and complementary skills in relation to the other Board Members. Based on the Committee's recommendation, the Board would further consider and take the appropriate decision in this regard.
- c. The remuneration of Directors / Managing Directors / Whole-time Directors shall be governed by the provisions of the Companies Act, 2013 and the rules made thereunder, from time to time and the Listing Regulations.
- d. Non-Executive Directors shall be entitled to receive the Sitting Fees for attending the meetings of the Board and the Committees thereof, as approved by the 'Board of Directors' from time to time. The Board upon the recommendation of the Nomination Committee, shall review the Sitting Fees, from time to time, subject to the limits, as specified under the Companies Act, 2013 or rules made thereunder.
- e. Upon the recommendation of the NRC, the Board shall review and approve the other components of the remuneration payable to the Directors (including Non-Executive Directors) of the

Company, within the overall limits as specified under the Companies Act, 2013 (including rules made thereunder) and the Listing Regulations and if required, the same shall be placed for the consideration and approval of the Shareholders.

9. Remuneration Structure for all employees

The Remuneration structure shall include the following components:

- i. Fixed Pay;
- ii. Performance Linked Incentive / Variable Pay Plan;
- iii. Retiral & Other Benefits;
- iv. Onetime Payments;
- v. Stock Options;
- vi. Retention Bonus & Long Term Incentives;
- vii. Ex Gratia;
- viii. Any Other Perquisites & Allowances.

Remuneration shall be assigned as per the grade/ band of the incumbent and according to the qualification and work experience, competencies as well as their roles and responsibilities in the Organization. There will be various factors which will be considered for determining their compensation such as job profile, potential, skill sets, seniority, experience, performance and prevailing competition remuneration levels for equivalent jobs.

10. Retention Features as part of Compensation Package:

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses; Long-term Incentives, Ex Gratia, Employee Stock Options, etc.

11. Modification and Amendment:

The policy is subject to modification, amendment and alterations by the Management as appropriate.

ANNEXURE – C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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,
Nippon Life India Asset Management Limited
(Formerly known as Reliance Nippon Life Asset Management Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nippon Life India Asset Management Limited (hereinafter referred to as the "Company"). Secretarial Audit was conducted in a manner that provided 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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 March 31, 2022 according to the relevant and applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the financial year;

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the financial year);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable during the financial year);
- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the financial year);
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the financial year);
- (vi) Based on the representation made by the Company and its officers and our verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance under the following laws applicable specifically to the Company:
 - (a) SEBI (Mutual Funds) Regulations, 1996; and
 - (b) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, as amended from time to time, and
- (ii) The Equity Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above.

Other statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

- (i) Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- (ii) Acts as prescribed under Direct Tax and Indirect Tax;
- (iii) Stamp Acts and Registration Acts of respective States;
- (iv) Labour Welfare Act of respective States; and
- (v) Such other Local laws etc. as may be applicable in respect of various offices of the Company.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The following changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act:

- (i) The Shareholders have approved the following through postal ballot on April 17, 2021:
 - (a) Re-appointment of General Ved Prakash Malik as a Non-executive Independent Director of the Company for a second term of 5 years commencing from April 22, 2021 till April 21, 2026;
 - (b) Appointment of Mr. Ashvin Parekh as a Non-executive Independent Director of the Company to hold office for a term of 5 years commencing from August 1, 2020 till July 31, 2025;
 - (c) Appointment of Mr. B. Sriram as a Non-executive Independent Director of the Company to hold office for a term of 5 years commencing from March 15, 2021 till March 14, 2026;
 - (d) Appointment of Mr. Yutaka Ideguchi as the Non-executive Non-independent Director; and
 - (e) Re-appointment of Mr. Sundeep Sikka as the Executive Director & CEO of the Company, not liable to retire by rotation, for a term of 5 years commencing from April 22, 2021 till April 21, 2026;

- (ii) Re-appointment of Mr. Ajay Patel as Manager for a period commencing from July 01, 2021 till January 2, 2024 by the Board of Directors at their meeting held on April 27, 2021 and confirmed by the shareholders at their Annual general meeting held on June 22, 2021.

- (iii) Mr. Yutaka Ideguchi resigned from the Board of the Company w.e.f. 30th March 2022.

Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation & deliberations at these meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

We further report that during the audit period the Company has not undertaken any significant or material corporate events/actions which may have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For M Siroya and Company
Company Secretaries**

**Mukesh Siroya
Proprietor**

FCS No.: 5682

CP No.: 4157

UDIN: F005682D000206014

Date: April 26, 2022

Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

To,
The Members,
Nippon Life India Asset Management Limited

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

1. Maintenance of secretarial record 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 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M Siroya and Company
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
UDIN.: F005682D000206014

Date: April 26, 2022

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDIAN ECONOMIC OVERVIEW

FY22 began on a mixed note in the wake of record increase in Covid infections as a result of the Delta variant. The situation led to mostly partial-to-full lockdown across nations and had an adverse impact on various economies in the first quarter of FY22. Since the Delta wave was relatively short-lived, most countries saw an immediate economic recovery from Q2 FY22 onwards driven by strong demand factors and the widespread vaccination measures undertaken by the different governments across the world.

By March 2022, India administered a massive 180 crore plus vaccine doses, amongst the highest in the world. Further, the RBI and the Indian government have taken a range of fiscal and monetary measures in the last two years to provide support to domestic businesses, and ensure ample liquidity in the system, while elongating the fiscal consolidation path to 2026. These policy measures focused on the mantra of “lives as well as livelihoods”. The domestic economy continued its positive momentum and rose by 20.1% and 8.4% respectively in the first two quarters of the year, primarily driven by a low base and restart of business activities across sectors. The recovery sustained with a 5.4% growth in Q3 FY22. March 2022 recorded the highest ever monthly GST collections at Rs. 1.42 lakh crore indicating meaningful pick-up in economic activity. The average monthly gross GST collections for the last quarter of the FY22 was Rs. 1.38 lakh crore against the average monthly collection of Rs. 1.10 lakh crore, Rs. 1.15 lakh crore and Rs. 1.30 lakh crore in the first, second and third quarter respectively. Also, bank credit continued to grow at a strong pace and rose by 9.7% in March 2022 vis-à-vis 4.5% in March 2021. However, the Government have been asserting that back-loaded expenditure, lower disinvestment collections and more off-budget items brought above the line in the budget are likely to ensure an elevated FY22 fiscal deficit. Current account deficit was 1.2% of GDP in April - December 2021 as compared to a surplus of 1.7% of GDP in the corresponding period of the previous fiscal. Higher CAD was on account of larger merchandise trade deficit, which stood at 7.2% of GDP, after a deficit of 5.9% of GDP in Q2 FY22. Higher growth in imports (+52% in Q3 FY22) vis-à-vis exports (+41%) led to a wider merchandise deficit. Excluding petroleum products, India had a current account surplus of 0.8% of GDP, lower than 2.2% of GDP in Q2 FY22 and 1.9% in Q3 FY21. Net foreign capital inflows amounted to 2.8% of GDP, supported by other investments such as higher trade credit, advances, and

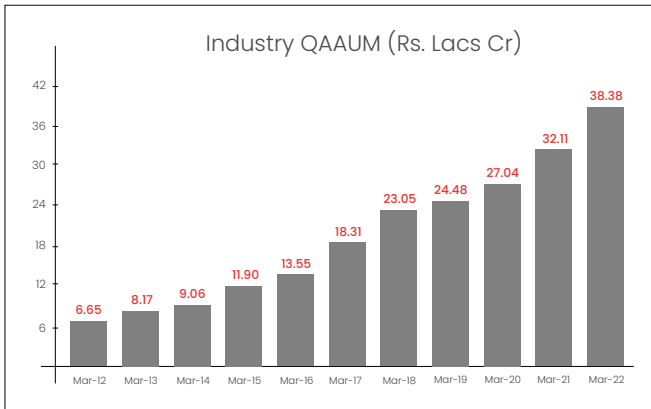
receivables. While FDI investments halved to USD 5.1 billion in Q3 FY22 from USD 10 billion in Q2 FY22, there was a net outflow of USD 4.7 billion in FPI investments in Q3 FY22. With total investments decelerating to 28.6% of GDP in Q3 FY22 and CAD at 2.7% of GDP, implied savings moderated to 25.9% of GDP in Q3 FY22 from 32.3% of GDP in Q2 FY22.

The global and local macroeconomic equation changed in Q4 FY22 as geopolitical tensions increased in Europe from February 2022 onwards. The ramifications of the intensifying Russia-Ukraine crisis on the global financial markets as well as economies have been stark and swift. Globally, inflation has surprised on the upside in Q4 FY22 driven by broad-based supply issues, and resultant increase in food, commodities, manufacturing and services prices. In fact, inflation has sharply increased across developed economies to multi-year highs by the end of FY22. In line with these trends, inflation has been on the rise across emerging economies too. Now with the new virus variant, supply side issues are likely to persist for longer, possibly making higher inflation even more entrenched. India’s headline CPI rose to 6.95% in March 2022 from 6.07% in February 2022 driven by a low base and increase in food prices. WPI remained in a double-digit zone at 14.55% in March 2022 as global commodity prices feed into input price pressures. Within WPI index, fuel and global commodity prices are rising at a fast pace partly due to war related disruptions. It’s noteworthy that, in the Indian context, while the direct trade linkages with Russia and/or Ukraine are limited, the indirect economic impact of the conflict is higher in the form of higher commodity prices-led trade deficit and cost push inflation. The RBI has acknowledged these trends. In its latest policy announcement in April 2022, the RBI shifted focus towards policy normalisation and changed their stance towards lesser accommodation. While the RBI has acknowledged downward pressure on near term growth, it has declared combating inflation as a key priority with an increase in the FY23 CPI inflation forecast to 5.7%.

II. MUTUAL FUND SECTOR

Industry Overview

Over the last decade, the Indian MF Industry has grown at a steady pace from Rs. 6.6 lakh crore to Rs. 38.4 lakh crore, an approximately 6x increase in a span of 10 years. Further, during the year, Industry saw a healthy growth of 32% in total folios largely due to increasing awareness and higher retail participation.

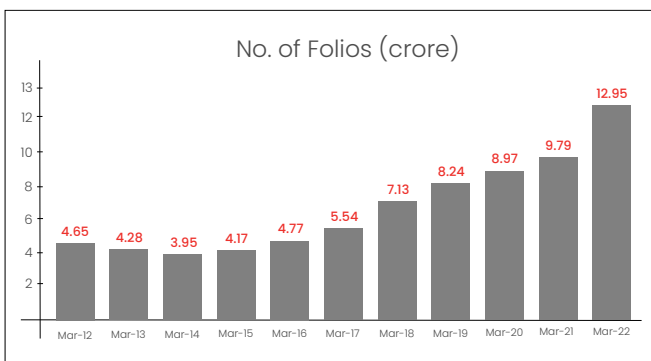


Source: AMFI

The industry assets witnessed 20% growth from Rs. 32.11 lakh crore for the quarter ended March 31, 2021, to Rs. 38.38 lakh crore for the quarter ended March 31, 2022, adding assets of Rs. 6.27 lakh crore during this financial year. Equities and passive assets accounted for the increase in overall assets during the year, reflecting the increasing risk appetite and need for diversification from the retail investors. Fixed income assets saw a decline of Rs. 33,455 crore, while equities and ETFs increased by Rs. 5.36 lakh crore and Rs. 1.25 lakh crore respectively.

Increasing Participation from Individual Investors

This year has seen continued growth in participation, especially from retail investors in equity funds and ETFs. The MF industry added 3.16 crore folios during FY22. The rise in folios was driven by higher folios in the passive and equity categories, taking the total number of folios to 12.95 crore. Folios in the passive category grew by a strong 155% from 73 lakh in March 2021 to 1.85 crore in March 2022.

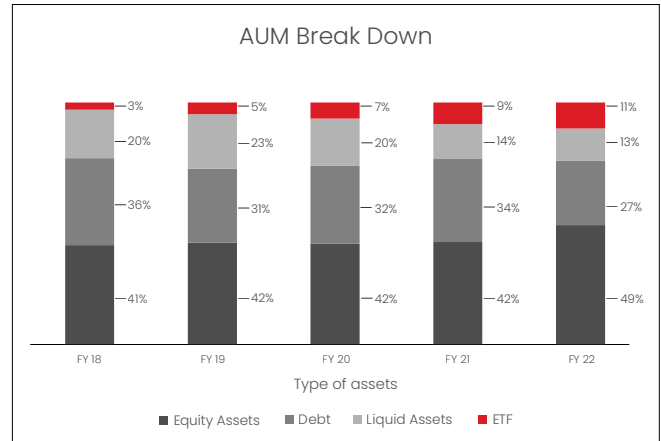


Source: AMFI

Asset Mix

Equity AUM, as a proportion of total AUM, rose from 41% in FY18 to 49% in FY22, which can be attributed to increasing awareness, financialization of savings, rise in SIP etc. The share of debt-oriented schemes

decreased from 36% in FY18 to 27% in FY22, which can be attributed to falling interest rates, low investor demand due to adverse credit events, etc.



Source: QAAUM, AMFI

Equity: Equity Funds invest a major chunk of corpus in equity securities with the main objective of providing capital appreciation over the medium to long-term investment horizon. They are high-risk funds and the returns are linked to the performance of capital markets. There are different types of equity funds i.e. diversified funds, sector-specific funds and index-based funds. In addition to equity funds, Balanced / Hybrid Funds invest both in equity and debt instruments and strive to provide growth as well as regular income.

Equity AUM contributes 49% to total Industry assets and grew by 40%.

Debt: Debt Fund/Fixed Income Funds invest predominantly in rated debt or fixed income securities i.e. corporate bonds, debentures, government securities, commercial papers and other money market instruments.

Debt AUM contributes 27% to total Industry assets and decreased by 8%.

Liquid: Liquid Funds / Money Market Funds invest in highly liquid money market instruments and provide easy liquidity. Liquid funds are short duration funds and typically used by corporate houses, institutional investors and business houses for deploying surplus liquidity for a shorter period.

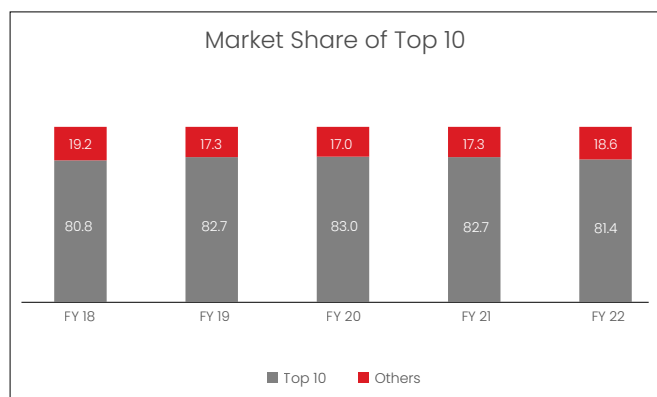
Liquid AUM contributes 13% to total Industry assets and grew by 11%.

ETF: Exchange Traded Funds track an index, a commodity or a basket of assets as closely as possible, but trade like shares on the stock exchanges. They are backed by physical holdings of the commodity, and invest in stocks of companies, precious metals etc.

ETF AUM contributes 11% to total Industry assets and grew by 43%.

Top 10 AMCs AUM trends:

Indian MF industry has a total of over 40 AMCs comprising private sector companies, joint ventures with foreign entities and NBFC / bank sponsored AMCs.

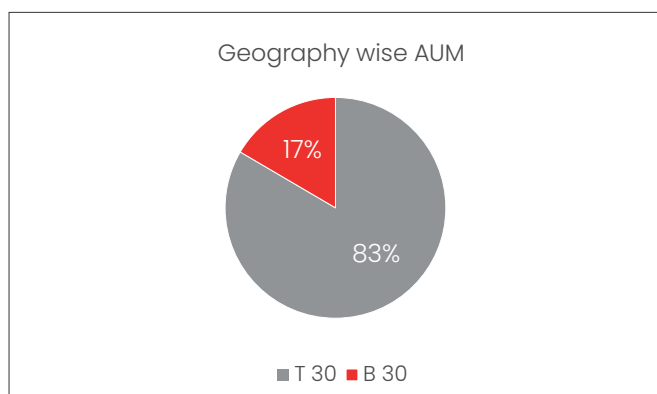


Source: QAAUM, AMFI

The Indian MF industry remains largely consolidated in top 10 AMCs, which account for >80% of the industry’s total AUM. Currently, Top 10 players manage Rs. 31.24 lakh crore, which accounts for 81% of the industry AUM.

Geographic Mix:

Historically, AUM has been concentrated in the Top 30 (T-30) cities due to presence of Institutional Investors and they have higher concentration of assets in non-equity schemes. The T-30 cities hold the majority of MF assets with a share of 83%, whereas beyond the Top-30 or B-30 cities held 17% of assets as on March 2022. AUM from B-30 has higher composition of equity assets compared to T-30 cities. Further, B-30 cities gaining significance in the industry AUM mix as the SEBI provides impetus to MF penetration beyond the top 30 cities by allowing additional TER.

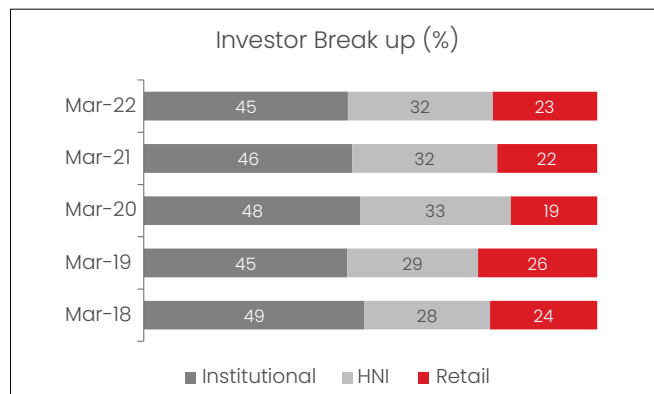


Source: AMFI

Investor wise break-up of AUM

Industry’s investors base can be broadly categorized as Retail, High Net worth Individual (HNI) and Institutional investors. Over last 4 years Retail, HNI & Institutional AUM has grown at a CAGR of 13%, 17% and 11%

respectively. The contribution of HNI investors to Industry AUM has increased from 28% in March 2018 to 32% in March 2022.

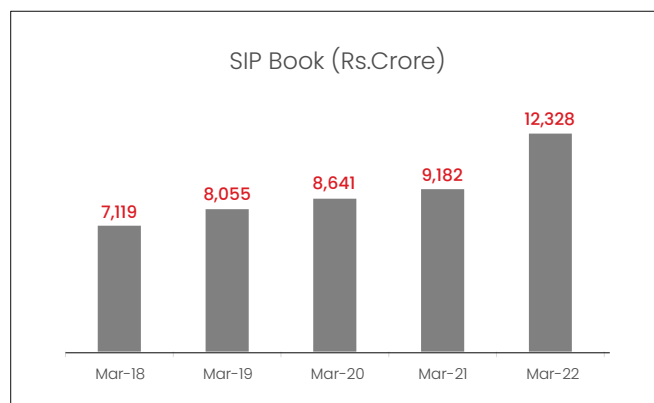


Source: AMFI

The HNI investor MAAUM increased from Rs. 10.23 lakh crore in March 2021 to Rs. 12.00 lakh crore in March 2022, registering a growth of 17%, whereas institutional investors MAAUM increased by 13% from Rs. 14.90 lakh crore in March 2021 to Rs. 16.89 lakh crore in March 2022. Retail investors MAAUM increased by 25% from Rs. 7.04 lakh crore to Rs. 8.80 lakh crore, on account of the strong recovery in equity markets in FY21. Majority of the retail investors assets are invested in equities.

SIP Inflow continues to grow

Systematic Investment Plan or SIP, as it is commonly known, is an investment plan offered by mutual funds where one could invest a fixed amount in a scheme periodically at fixed interval like, once in a month.



Source: AMFI

Systematic Investment Plans (SIP) inflows began the year on a strong note and continued its momentum throughout the year. Inflows rose on a month-on-month basis, indicating mature behaviour and long-term investment horizon of retail investors. According to AMFI, the total inflows through SIPs in FY22 increased by 30% to Rs. 1.25 lakh crore. The breadth of the investor base continued to expand, with total

number of SIP accounts at 5.28 crore as on March 31, 2022, with an addition of 1.55 crore accounts during the year. In addition to a gradual increase in participation from the retail segment, the rising prominence of SIPs also lends stability to industry inflows.

Outlook

The focus for the RBI has shifted to combating inflation and therefore consensus expects rate normalisation cycle to start in H1 FY23. The RBI expects real GDP growth to moderate to 7.2% in FY23 owing to weaker global demand and rising cost pressure. Despite minor growth downgrades, India's overall growth is likely to remain healthy led by urban consumption and gradual capex recovery. Also, higher forex reserve cushion is helping the RBI to mitigate INR volatility. The growth trends may continue in a year when balance of payment surplus could shrink. Against the uncertain and quickly evolving backdrop of geopolitical issues, higher oil prices and hawkish pivot by key global central banks, it is expected that the RBI will continue to gradually tighten over the course of FY23. Overall, India is likely to experience a combination of high growth and high inflation where risks are balanced and dependent on the outcome of Russia-Ukraine crisis and any subsequent Covid-led disruptions.

India's mutual fund penetration (AUM to GDP) is in mid-teens, still much lower than the world average of over 70%. India's equity mutual fund AUM to GDP ratio is at 5%, vis-à-vis 75% in US, 55% in Canada and 40% in UK. In light of the macro conditions, it is expected that favourable demographic dividend, formalisation of the economy, growing financial inclusion, greater disposable income and investable surplus, increasing financial savings, higher investor awareness, investor friendly regulations, wide range of transparent and investor-friendly products, ease of investing, tax incentives, expanding distribution coverage, digitalisation, and perception of mutual funds as long-term wealth creators, are expected to be key drivers for the growth of the mutual fund industry.

III. ALTERNATIVE INVESTMENT FUNDS

Alternative Investment Fund or AIFs are pooled investment vehicles, which collect funds from sophisticated investors (both domestic as well as overseas) for investing in non-traditional investment assets (in accordance with a defined investment policy) for the benefit of its investors. The minimum investment amount by any investor in an AIF is Rs. 1 crore.

SEBI has identified three categories of AIFs based on investments as below:

Category I: Includes funds which have positive spill over effects on the economy for which certain incentives /

concessions might be considered, e.g. venture capital funds, Angel Funds, SME Funds, social venture funds, infrastructure funds etc.

Category II: Predominantly includes funds which invest in unlisted securities and includes funds like PE Funds, Debt funds etc., and represents the largest segment AIF category

Category III: Include funds which deploy diverse or complex trading strategies including use of debt/leverage through investment in listed or unlisted debentures e.g. hedge funds or funds that invest with a view to earn short term returns form huge part of this segment.

As on December 2021, commitments raised is approx. Rs. 6.09 lakh crore, of which funds raised is approx. 49% i.e., Rs. 2.97 lakh crore. Within funds raised, Category II (71%) represents the largest segment, followed by Category III (19%). Since 2012, SEBI has permitted more than 800 AIFs to be set up. Participants include AMCs, Private Equity, Venture Capital firms, Hedge Funds, Corporates, Boutique Investment Funds, Individuals etc.

IV. PORTFOLIO MANAGEMENT SERVICES (PMS)

Portfolio Management Services (PMS) is an investment management service offered by banks, brokerage houses, wealth managers and asset management companies to wealthy investors, like high-net-worth individuals, or institutions. PMS is broadly divided into discretionary and non-discretionary / advisory. PMS is one of the most versatile investment vehicles. It is the most suitable investment vehicle for meaningful/concentrated, benchmark-agnostic, bottom-up stock picking. The PMS industry's assets under management, as on December 2021, stood at Rs. 23.54 lakh crore.

V. COMPANY OVERVIEW

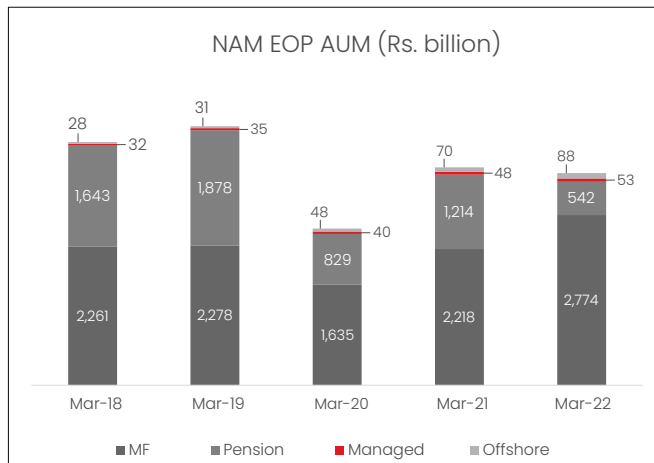
True Blue Asset Management Player

Nippon Life India Asset Management Limited (NAM India or the Company) is one of the largest asset management companies in India with over 26 years of track record, and a total AUM of Rs. 3.46 lakh crore as on March 31, 2022. The Company is involved in managing

- (i) mutual funds including exchange traded funds (ETFs);
- (ii) managed accounts, including portfolio management services (PMS), alternative investment funds and pension funds;
- (iii) offshore funds and advisory mandates.

The Company is promoted by Nippon Life Insurance Company, one of the leading private life insurers in Japan, with assets of over US\$ 774 bn as on March 31, 2021.

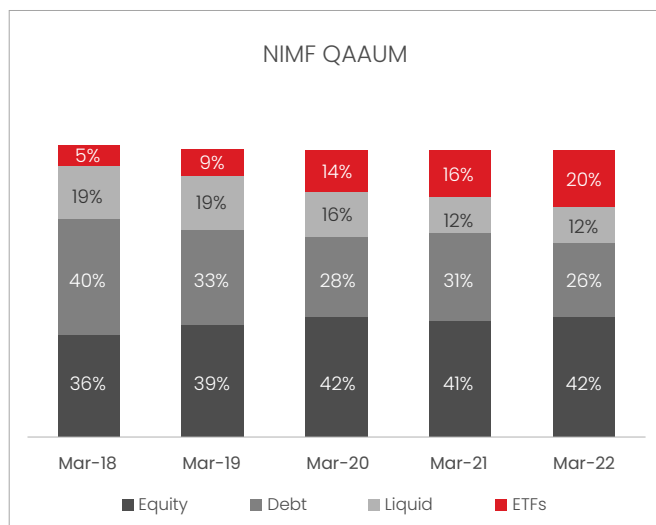
The following table illustrates the closing AUM of the Company's respective offerings:



Source: Company

Mutual Fund:

Nippon India Mutual Fund (NIMF) offers a well-rounded portfolio of products i.e. Equity, Debt, Liquid as well as ETF for investors to meet varying requirements. It constantly endeavours to launch innovative products and customer service initiatives to increase value to investors. The Company started mutual fund operations in 1995 as the asset manager for Reliance Mutual Fund. As on March 31, 2022, the Company managed QAAUM of Rs. 2,83,261 crore. The Company has the largest base of investors in the industry at 1.70 crore investor folios. As on March 31, 2022, Nippon India Mutual Fund (NIMF) manages 122 schemes (including 18 in the equity category and 36 in the passive segment).



Source: Company

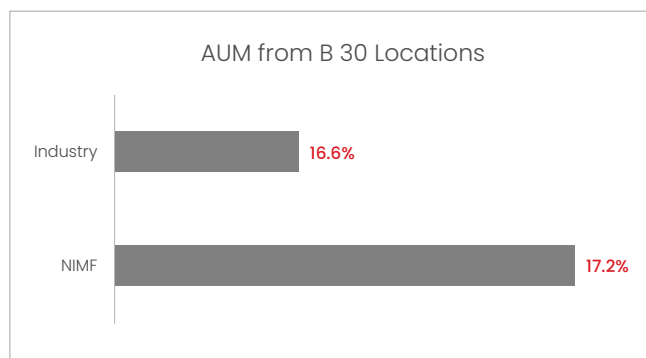
Business Strengths:

Strong base of Retail investors and assets

NIMF has always been known for its strength in the Retail segment. Over the last 2 decades, the Company has meticulously built its assets in this category and created long-term wealth its retail investors. It will continue to focus and enhance these offerings to expand its investor base even further. NIMF's retail AAUM contribution to total AAUM is amongst the highest in the industry at 28%. Also, the Company has the largest base of retail investors in the industry, with retail folios crossing 1.62 crore as on March 31, 2022. The Company plans to continue to build on its efforts in this segment with a mix of on-ground presence in smaller locations as well as continuously evolving digital assets to improve experience and on-board new investors.

Higher Share of AUM from Beyond Top 30 Locations

NIMF continues to be amongst the leaders in 'Beyond Top 30 cities' segment or B 30 locations. B-30 locations have higher share of equity assets compared to non-equity assets. This segment contributed AUM of Rs. 47,825 crore, out of which 76% were equity assets. 17% of total assets are sourced from beyond top 30 cities, higher than the industry average. In smaller locations, there is particular need for face-to-face communication to get new investors into the MF Industry. NIMF holds one of the largest on-ground presences at over 270 locations pan India and we endeavour to provide an all-round interface for our investors – both online and offline.

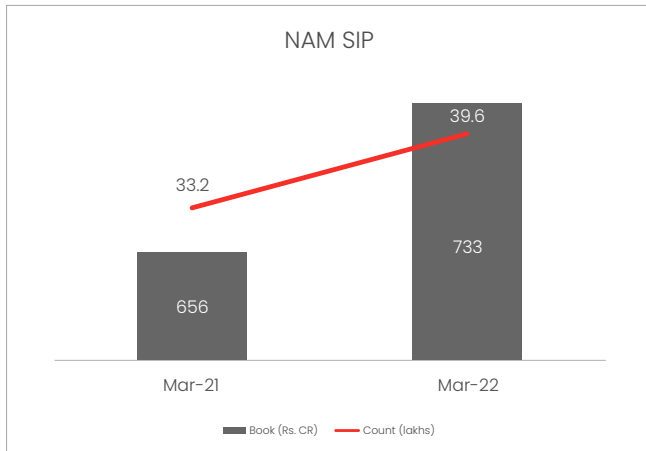


Source: Company, AMFI

SIP and STP - Long Term & stable Inflows

SIP and STP are one of the strong pillars of the Industry and provides long-term sustainable inflows. It also inculcates a 'savings habit' among investors and ensures steady disciplined approach to investing rather than ad-hoc. NIMF received Rs. 733 crore in inflows from systematic transactions in March 2022, which is a recurring monthly inflow, resulting in annualized inflows of over Rs. 8,800 crore. The book is contributed

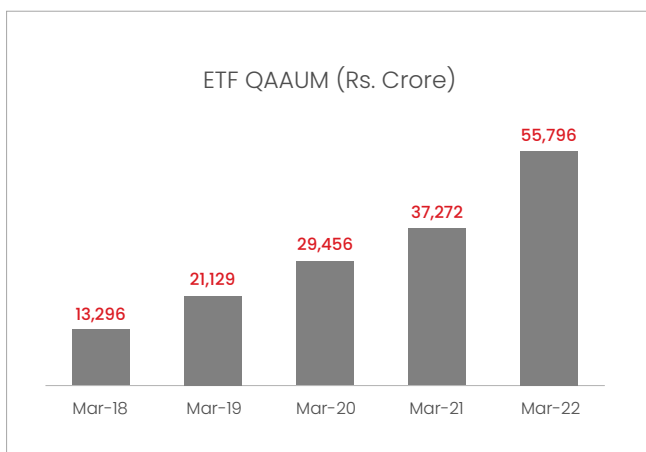
by 40 lakh SIP and STP folios. The folios have grown by 19% in FY22. The overall inflows were over Rs. 7,750 crore in FY22.



Source: Company; based on Systematic book and Count

Leadership position in the Passive category

The Company has one of the largest market share in the ETF segment with assets of Rs. 55,796 crore. The Company has the largest suite of passive products in the Industry, with 25 ETF schemes and 6 Index funds. NIMF successfully launched multiple new funds in this category, indicating its strong commitment to the ‘Investor First’ philosophy. With approx. 86 lakh folios, NIMF has 58% of the industry’s folio market share. NIMF added more than 62 lakh folios in FY22 as compared to approx. 14 lakhs in FY21. Approx. 68% of the exchange volumes are contributed by NIMF’s ETF schemes. There has been a consistent participation of HNI segment in passive products, indicating greater adoption by an evolved class of investors.



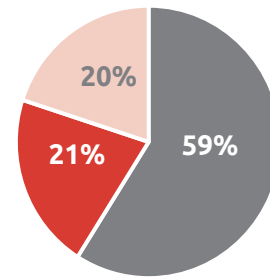
Source: Company

De-risked distribution Model

The Company has multi-channel distribution network comprising of Mutual Fund Distributors (MFDs), foreign banks, Indian private and public sector banks, national distributors and digital platforms. It has over

84,300 empanelled distributors pan India as on March 31, 2022, amongst the highest in the Industry.

■ Independent Financial Advisors ■ Banking Distributors ■ National Distributors



Source: Company; excluding Direct AUM

Penetrating Deeper into India

Currently, NAM India has a pan-India network of more than 270 locations, which is amongst the highest in the industry. The Company continues to focus on locations beyond the Top 30 cities, as assets from smaller locations have higher persistency and are more profitable.

Managed Accounts

AIF

Our Subsidiary, Nippon Life India AIF Management Limited (NIAIF), manages 16 schemes of Alternative Investment Funds (AIFs) across Category II and Category III. NIAIF offers various strategies under Listed Equity, High Yield Real Estate Debt, Credit and Tech / VC FoF, which are privately pooled investment vehicles registered with SEBI.

FY22 has been a significant year for NIAIF. The Company achieved new highs in terms of commitment, revenue and core operating profit. Some of the other notable business highlights include:

Tech/VC FoF:

- Undertaken final closures of Nippon India Digital Innovation Fund (FOF); Commitments raised over ~USD 100 million
- The fund is invested across 6 underlying VC funds till date; approval in place for three additional investments

Real Estate:

- Fully committed the real estate mandates of offshore investors
- Made 5 complete exits in real estate portfolios during the year

Equity

- Final closure of the 6th equity scheme with the theme “Champions of 21st Century”
- Launched 7th equity scheme with the theme “Reimagine India Opportunity”
- Continue to deliver consistent long-term investment performance across asset classes

The total commitments raised across all schemes is Rs. 4,473 crore as on March 31, 2022. With business activities gradually picking up, we expect to grow this business further in the future.

PMS

The Company provides portfolio management services to high-net-worth individuals and institutional investors. The Company has been one of the few AMC's in India who have won and managed various prestigious government mandates in the past. The company continues to manage the two prestigious government mandates i.e. Postal Life Insurance and Rural Postal Life Insurance. Currently, the company offers four equity strategies to its investors. All investment strategies under PMS continue to outperform their benchmarks and peer groups over the long term. As on March 31, 2022, the Company's total AUM is Rs. 55,001 crore, as part of the managed accounts business.

Offshore funds and advisory mandates

The Company manages offshore funds & distribution through its subsidiaries in Singapore and Mauritius and has a representative office at Dubai. The overseas subsidiaries help to cater to institutional and high net worth investors across Asia, Australia, Middle East, UK, US, and Europe. In line with the objective to consolidate overseas operations, NAM India plans to further grow the business in Singapore, and cease operations in Mauritius in the near future.

As on March 31, 2022, the Company had a total AUM of Rs. 8,762 crore as part of its international offshore managed portfolio. The Company also acts as an Investment Advisor for India-focused equity and fixed income funds in Japan and for a Nifty 50 ETF in Australia.

Further, as on March 31, 2022, the Company had a total AUM of Rs. 2,685 crore as international advisory mandates. NAM India, in collaboration with BBL Asset Management Company Ltd., an affiliated company of Bangkok Bank (BBL), the largest Thai commercial bank, has launched Bualuang Bharata Fund in Thailand for institutional investors and high net worth investors.

VI. OPPORTUNITIES & THREATS

Opportunities

- Under-penetration of mutual funds in India
- Ongoing financialization of savings in India
- Increasing per capita GDP
- Increase in investors for Systematic Investment Plans
- Larger allocation by informed investors towards passive products
- Rise in flows from smaller cities / towns
- A strong owned distribution network with extensive reach across India
- Deepening digital channel distribution contributing to disintermediation and de-risking of sales and distribution
- Leveraging Nippon Life's global network for international tie-ups and partnerships
- On-going consolidation in the industry
- New frontiers of growth in emerging areas of business such as AIF & international markets

Threats

- Impact of rising Inflation on household savings and corporate earnings
- Longer term financial impact due to COVID-19 virus (global pandemic)
- Rise in the culture of direct investing may have a short-term impact on equity flows
- Intense competition amongst MFs to garner higher AUMs can lead to increase in commissions, and consequently impact revenue
- Impact of regulatory intervention on fees, charges, reduction of exit loads

VII. FINANCIAL PERFORMANCE

The financials statements of the Company for the year ended March 31, 2022, have been prepared in compliance with the Companies Act, 2013 and Indian Accounting Standards, Rules 2015. The Company has adopted Indian Accounting Standards (Ind AS) - IFRS Converged Standards with effect from April 1, 2018. (April 1, 2017 being the transition date).

Consolidated Financial Performance

Revenue

The Company's consolidated total revenue stood at ₹ 1,536 crore compared to ₹ 1,419 crore in the previous year. Other income stood at ₹ 229 crore compared to ₹ 357 crore in the previous year.

Expenditure

Total consolidated total expenditure for the year increased by 1% to ₹ 547 crore, as against ₹ 542 crore in the previous year. Fee and Commission expenses for the year were ₹ 51 crore as against ₹ 43 crore in the previous year - an increase of 19%. Employee benefit expenses for the year were ₹ 290 crore as against ₹ 271 crore in the previous year - an increase of 7%.

Depreciation for the year decreased to ₹ 27 crore as against ₹ 33 crore in the previous year - a decrease of 18%. Other expenses for the year were ₹ 174 crore as against ₹ 190 crore in the previous year - a decrease of 8%.

The Profit for the year stood at ₹ 744 crore as against ₹ 680 crore in the previous year - an increase of 9%. Total Comprehensive Income for the year stood at ₹ 744 crore as against ₹ 681 crore in the previous year - an increase of 9%.

Utilisation of IPO Proceeds

As part of the IPO conducted in October 2017, NAM India had raised Rs. 617 crore from fresh issue of equity shares. These funds were intended to be utilised towards various objectives, including branch network expansion, IT infrastructure, advertising, brand building, seed investment in AIF schemes and MF schemes, and inorganic growth as well as strategic initiatives.

The Company utilised Rs. 334 crore out of these proceeds by March 31, 2022, in line with the specified objectives. The amounts raised, utilised till date and pending utilisation, is detailed at Note no. 37 in the Notes to the Accounts of the Standalone Financial statements.

Due to the dynamic and evolving nature of the industry, continuously evolving digital ecosystem and the Covid pandemic since last two years, volatile global capital markets, NAM India has been conservative in utilisation of its IPO Proceeds, also as there have been limited opportunities for inorganic growth and strategic initiatives. Due to the exponential surge in digital transactions after the IPO, the need for rapid expansion in physical presence and opening of new branch offices has shrunk considerably. Hence, the Company continues to be cautious with regards to branch expansion in Tier 3 and Tier 4 cities.

The AIF subsidiary launched fewer schemes than what was envisaged at the time of IPO due to the volatile capital market in the last few years, heightened by slower economic growth and the pandemic. These factors resulted in underutilisation of the proceeds earmarked for seed investment in new AIF schemes.

Due to non-availability of inorganic opportunities at appropriate valuation and which could complement NAM India's existing business, while the Company has constantly evaluated multiple opportunities for potential synergies, no actual acquisitions have fructified. The Company remains open to evaluate opportunities for strategic partnerships.

Against this backdrop, NAM India will continue to explore the deployment of its IPO proceeds towards value accretive and strategic initiatives in the future. However, unless the opportunities have value-accretive potential for shareholders, add to the profitability, or complement the existing businesses, the Company will not rush into expending the available resources. NAM India will review the strategy on deployment of these funds in the light of these factors without diluting the stated intent that any utilisation must have value accretion for shareholders at the forefront.

VIII. COMPLIANCE

The Company continues to aspire to be a one hundred percent compliant corporate citizen by choice with a non-withering focus on strong compliance & robust corporate governance principle & processes. Company's management is not only committed but is also fully geared up to comply with the applicable laws (in letter & spirit) and strictly follow the ethical principles that govern business. The Company is fully seized of the stated regulatory requirements and it thus endeavours and strives to remain ahead of the curve in so far as matters of compliance and governance are concerned. Interests of its unit holders, shareholders and other relevant stakeholders are always kept at the forefront while taking decisions with respect to business planning and execution.

The Board of Directors of the Company as well as that of the Trustee company also have a strong sense and flair towards compliance and governance standards. Matters of compliance and governance are given undivided and focussed attention at the meetings of the Board. In addition to this, the Company continues to keep improving upon its underlying policies, documentation and internal processes through a seasoned and experienced in-house Compliance Team, which has an independent line of reporting to the Board.

IX. RISKS AND CONCERNS

NAM India is exposed to specific risks that are particular to its businesses and the environment within which it operates, including credit risk, operational risk, competition risk, regulatory risk, human resource risk, outsourcing risk, information security risks, cyber security risks and macro-economic risks.

Competition risk

The financial sector industry is becoming increasingly competitive and the Company's growth will depend on its ability to compete effectively. The Company's main competitors are Domestic Mutual Funds, Portfolio Management Services and Alternate Investment Funds. Further liberalisation of the Indian financial sector could lead to a greater presence or entry of new foreign asset managers offering a wider range of products and services. This could significantly toughen the competitive environment. The Company's strong brand image, wide distribution network, diversified product offering and quality of management places it in a strong position to deal with competition effectively.

Market risk

The Company has quoted & unquoted investments in equity, debt & mutual funds which are exposed to fluctuations in the prices of underlying assets. The portfolios are reviewed for market risks on a periodic basis. The company also applies stress testing to the portfolio monitor and manage the market risks of the portfolio.

Credit Risk

The Company has quoted and unquoted investments in bonds and debt oriented mutual funds; thus the risk arising out of default or failure on the part of borrowers in meeting their financial obligations towards repayment of principal and interest exists. Hence, credit risk is a loss as a result of non-recovery of funds both on principal and interest counts. This risk is addressed through diversification of the risk, by spreading investments into multiple bonds and mutual funds spread across multiple issuers.

Liquidity and Interest Rate Risk

The Company is exposed to liquidity risk principally, because of investments for periods which may differ from those of its funding sources. However, this risk is mitigated as all the investments are made through accumulated surpluses and equity infusion. The Company has quoted and unquoted investments in bonds and debt oriented mutual funds; thus the risk arising out of interest rate movements exists. This risk is comprehensively addressed by duration management across the portfolio.

Human Resource Risk

The Company's success depends largely upon the quality and competence of its management team and key personnel. Attracting and retaining talented professionals is therefore a key element of the Company's strategy and a significant source of competitive advantage. While the Company has a salary and incentive structure designed to encourage employee retention, a failure to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an impact on the Company's business, its future financial performance and the results of its operations.

Operational risk

The Company may encounter operational and control difficulties when commencing businesses in new markets. The rapid development and establishment of financial services businesses in new markets may raise unanticipated operational or control risks. Such risks could have a materially adverse effect on the Company's financial position and the results of its operations.

The operations of the Company have been extensively automated which minimizes the operational risk arising out of human errors and omissions. A robust system of internal controls is practiced by NAM India to ensure that all its assets are safeguarded and protected against loss from unauthorised use or disposition and all its transactions are authorized, recorded and reported correctly. The Audit Committee of Board periodically reviews the adequacy of the internal controls. The Company is relentlessly focused on quality parameters and has a dedicated quality team to proactively identify and address operational issues. The mandate of the quality team is also to work closely with various business teams to bring about operational efficiencies and effectiveness through Six Sigma initiatives. It is pertinent to note that NAM India has obtained an ISO 9001:2015 certification. They are among the few companies in their respective industries to be ISO certified.

Information & Cyber security risk

NAM India has a robust Information Security Risk monitoring systems and tools to guard and protect sensitive customer data and guard against potential leakages. The Board of Directors have constituted a Technology Committee comprising of experts proficient in technology to oversee & review the Information security & Cyber security aspects on a regular basis. Robust governance, controls and sophisticated technology is adopted across lines of business to ward off cyber threats and protect information residing within the company. Information Security has been brought under the Enterprise Risk

Management Framework to enhance data protection and ward off cyber risks effectively, thereby making the overall Risk, Control & Governance framework more robust.

Regulatory risk

As an entity in the financial services sector, the Company is subject to regulations by Indian governmental authorities, including the Securities and Exchange Board of India. Their laws and regulations impose numerous requirements on the Company. There may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect the Company's performance.

Outsourcing Risk

The company has outsourced certain activities which are non-core in nature, with the objective of providing better services to clients, and providing the benefit of lower transaction costs to them. Outsourcing does not diminish or eliminate the company's obligations to customers & regulators. The company evaluates and performs due diligence on the partners before outsourcing critical services. Thereafter, performance of the outsourced partner is monitored through Service Level Agreements.

Pandemic risk

As a result of the Covid-19 outbreak and resultant restrictions on various businesses and lockdowns imposed by the government, global and domestic financial markets have seen significant volatility in a very short period. The company has taken various measures to ensure its operations are not adversely impacted during this period, and to ensure the safety and well-being of its human resources. This includes measures such as work from home and introduction of hybrid working arrangement. Use of Technology has enabled this, without compromising on Information security risks.

X. TRAINING AND INVESTOR EDUCATION

The Company has been at the forefront of spreading awareness on mutual funds through its Investor Awareness / Education Programs. The objective of these programs is to create awareness about mutual funds across the country to attract new investors into mutual funds. Due to lockdown, all class room trainings were put on hold. While none of us had faced such situation in the past, and as they say every cloud has a silver lining, EDGE converted this into an opportunity and moved to 100% digital training as the new way of engaging Investors. NIMF has adopted 19 districts across the country as part of the SEBI adopted districts program and conducted Investor Awareness Programs at these districts. A total of 42 programs were conducted across these 19 districts covering 1,342

investors. During FY22, the Company conducted 73 Investor Awareness & Engagement programs covering approx. 3,100 investors across India.

NIMF has a mobile app - MFx exclusively for Investor education. The app provides all relevant information in a simple audio video format related to MF. which can be accessed any time by the prospective investor.

XI. DIGITAL BUSINESS - THE KEystone FOR LONG-TERM GROWTH & SUSTAINABILITY

Digital, as is widely accepted now across the world, is a continuous and ever-evolving journey rather than a definitive destination. In our pursuit of digital dominance, NIMF had realised this long back and hence, we have been relentlessly treading this path, year on year, covering one significant milestone after another. Having read the clear and emerging trends across the globe half a decade back, we made significant investments, both in terms of capital and human resources, to outline a futuristic vision and define a distinctly articulated strategy - with the core philosophy of 3F's (Friendly, Futuristic & Frictionless) - to lay solid foundation for Digital as the keystone of the long-term growth and sustainability of NIMF.

NIMF Digital has gone from strength to strength, growing exponentially on the back of a robust digital roadmap encompassing sharp business focus, relentless partner engagement and turnkey & innovative transformation endeavours. With nimble-footedness and agility, the digital segment has set new milestones in the path of profitability and emerged as a strong pillar of growth.

Direct-to-Customer - The Growth Engine powering us for the long haul

The proliferation of e-commerce in the country, which encompasses hundreds of business categories and caters to a diverse spectrum of customers across various socio-economic strata, has also resulted in such customers being congenial towards adopting the digital way of life for their more 'serious' needs like finance, healthcare, etc. For financial services at large, and as a mutual fund business, the advent of such new-age, digital native millennials and zillennials, who are eager to research, quick to learn and confident to invest, was always going to be a watershed moment. With years of preparation and groundwork, the current year happened to be the one where we kickstarted yet another engine that is going to power our growth in the long haul.

Keeping the millennial and zillennial investors at the centre, we have developed a 360° integrated framework for acquiring, onboarding, engaging, and re-engaging with such digital investors. Beneath this framework lies a science that has been created and improvised over time with digital powerhouses like

Google, Meta, and Adobe suite of products. The model is built on three key pillars:

- A strong data science chassis that helps us to do an intelligent segmentation of customers as per demographics, buying behaviour and based on interests
- A sharp targeting system that delivers relevant funds that compete with the interests of the specific segments through their preferred channels and via journey customizations and interventions
- A holistic campaign structure that is spread across the length and breadth of the vast digital landscape and encompasses both external and internal channels which help converge the investors on our digital assets and drive desired business outcomes

The whole process is machine-learning driven and improvises with time as the output of every campaign is measured through integrated analytics and fed back into the segmentation process. Thus, we keep building effective propensity models for affinity products and channels, which in turn help in engaging and re-engaging with customers to boost cross sell and upsell campaigns.

Digitally championed distribution franchise - Being the partner of choice for all

The new age, non-conventional distribution set-ups like fintech platforms and financial e-marketplaces are creating disruption through technology and experience. At NIMF, we had anticipated this trend and became ready with an innovative, two-pronged approach to partner with such players and foray into this space.

Our robust API tech stack facilitates end-to-end digital processes in line with all the stages of investor lifecycle, right from onboarding to transactions and consequential servicing and repeat purchases. These APIs offer a great degree of flexibility when it comes to integrating with a wide array of platforms and technology stacks and, are fully self-sufficient to cater to the needs of our partners and their end customers.

Our expertise in the core business of asset management and prowess in digital business gives us an unparalleled advantage to engage with the partners at an even deeper level and help them set up and scale up their businesses. The knowledge and know-how, shared with the partners and their customers by our fund managers and investment experts on such partners' platforms, coupled with integrated marketing campaigns, have educated the investors and helped them make the right decisions.

This robust strategy coupled with focussed execution has not only helped us build great equity with partners, but also helped win the trust of investors which has resulted in growth of business volumes on such platforms, thereby benefitting NIMF and the partners alike. NIMF has a definitive lead in the digital partnerships space and has managed to forge a clear position as the partner of choice for such players.

Mobile-first, Intelligent digital asset suite - Driving real competitive advantage

In a nation, where mobile phone is the most used device for accessing internet (with almost 100% of the active internet users opting for mobile phones to access the net and only 17% of such active users accessing it through a personal computer), mobile-first is the de-facto philosophy when it comes to building our digital assets.

The focus is on empowering investors during moments of truth and on a 'here & now' manner to take quicker, smarter, and well-informed decisions on 'how and where' they should invest when they transact on our digital assets. Such empowerment is fuelled by our capabilities to crunch and run real-time analysis on the enormous amount of on-asset and offline data points regarding our consumers, their past purchases, and future propensities.

Our intelligent, data led digital assets, can learn, and predict user behaviour powered by real-time and archived analytical frameworks which are operating on an advanced algo network. This ecosystem helps in e-serving highly personalised and customized experiences, to give the millennial, zillennial and legacy investors as well as partners, accurate recommendations, suggestions, on-the-fly nudges, predictive service and much more, as they advance in their journey.

Key results:

The digital segment is a vital element of the NIMF growth journey in the wake of turbulent market scenarios coupled with multiple lockdowns and economic slowdown. With an impetus on securing long term, revenue generating assets, and a sharp focus on unit-economics driven goals, it continues to pursue and build continuous profitability for the organisation.

- FY22 witnessed digital business contributing about 60% share of new business transactions (~3 million out of total ~5.2 million)
- The transaction figures stated above translate into roughly 6 new purchases or SIPs registered every 60 seconds

- Equity AUM contributed to 68% of overall digital AUM with a 50% growth witnessed in FY22
- Digital business' share in lumpsum and SIP purchase transactions stood at ~60% and ~50% respectively
- Focus on long term assets resulted in ~90% non-liquid transactions compared to 75% non-Liquid transactions in FY21
- In terms of age, 45% of our digital traffic currently is aged less than 35 years whereas 66% are less than 45 years

Awards & Accolades:

The digital segment has been setting a benchmark across the BFSI industry in its fintech endeavours across the digital ecosystem. Both global and Indian forums have further recognized NIMF's expertise and supremacy in the digital space. As in the previous years, we have yet again been conferred with some coveted awards in FY22 as well which further strengthens our position as a digital leader in the BFSI space.

- Global Digital Marketing Awards for 'Best use of Facebook AI tool in performance campaigns' (April 2021)
- ACEF Global Customer Engagement Awards 2021 for 'Digital Marketing, Data driven Marketing, Email Marketing and Mobile Marketing' - 5 awards (4 Golds and 1 Silver) (May 2021)
- Mint | TechCircle - Business Transformation Award 2021 for 'Revenue Generation - Product & Service Augmentation' - Business Easy (June 2021)
- Indian Digital Marketing Awards for 'Best App Developed for Products / Services' - Business Easy (July 2021)
- Indian Digital Marketing Awards for 'Best Use of sites for Mobiles' - NIMF Purchase Mobile Site (M-site) (July 2021)
- Digital Crest Awards 2021 for 'Expertise in Online Commerce, Omni Channel Strategy and Mobile Marketing' - 3 awards (1 Golds, 1 Silver and 1 Bronze) (August 2021)
- The Great Indian Marketing Awards for 'Best performing campaign for Google's Performance-max' (August 2021)
- Maddies Marketing Award 2021 for the 'Most Effective Voice Assistant App' (in the Enabling Technologies category) - Simply Save Conversational Commerce (November 2021)
- Dynamic CIO Award for 'Smart Innovator' (in the Technology Innovation category) - Simply Save Conversational Commerce (November 2021)

Research and Development:

We continue to envision and execute key Digital transformation endeavours that are aimed to strengthen our robust digital ecosystem. FY22 marked the launch of our new investor app (Android) - a new-age asset that is styled for millennials & zillennials and, simplified for the legacy investor base. We believe that the savvy consumers of today invest first in digital experiences and in mutual funds afterwards, and that's exactly the new app has been built - with next level, simplified and intuitive interface coupled with new age features and capabilities - to provide best-in-class, enhanced digital experience for our investors. With the best of e-commerce practices at its heart - contemporary design, quick product discovery, aided decision making, and personalized experiences based on intelligent analytics - this app is expected to be highly useful and beneficial for our investors. While contemporary design and new features and enhancements are a part of the re-build, the key highlights are as follows:

- Completely self-serve and frictionless onboarding process
- 'Investor journey' centric flows (and not inward out, classic Product & Service bouquet approach)
- Discoverability: Products & Services are available in line with user expectations
- Enhanced purchase experience: Cart Buying and Drop-off win-back; express checkout for repeat transactions
- Scalable framework: Leveraging Digital stack (Targeting, Campaigns, Analytics, etc.) for a more enriching and powerful experience

XII. INTERNAL CONTROLS

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organisation is well structured, and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorised use or disposition and that transactions are authorized, recorded and reported. The Company

also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

The Company uses information technology extensively in its operations for ensuring effective controls besides economy. It also helps the Company in providing accurate MIS and prompt information / services to its customers and other stakeholders. The Company has implemented enhanced level of Information System Security controls with monitoring systems to address technology risks.

The Company has an independent internal audit function which continuously evaluates the adequacy of, and compliance with, policies, plans, regulatory and statutory requirements. Risk based approach is adopted while carrying out the audits. Internal audit also evaluates and suggests improvement in effectiveness of risk management, control and governance process. The Audit Committee of Board provides necessary oversight and directions to the internal audit function and periodically reviews the findings and ensures corrective measures are taken.

XIII. HUMAN RESOURCES

The Company had a workforce of approx. 970 employees as on March 31, 2022. The average age of the workforce is 37 years. We have a large investment team comprising of 60 employees, while the Risk Management and Compliance function comprises of approx. 20 members. We also have one of the largest and experienced credit research team in the Indian MF industry. Members of our senior investment team have an average of over 22 years of investment management experience and are a valuable resource to our company.

NAM India considers employees as the most valued asset, who are at the core of the business. Human capital is the most important business driver. A strong people culture is the soul of the organization and biggest competitive advantage for a sustainable growth.

As an organization, all colleagues, at every level, are part of the organization's growth strategy and are empowered enough to take business decisions. The Company takes care of them much beyond salary, pay and perks and ensures that they get best-in-class learning and career advancement opportunities. The key pillars of the core philosophy are talent care and development, empowerment and decision making at all levels, innovation, agility and digital transformation.

The Company understands that internal selection and succession is very critical for the long-term sustenance of the business as it ensures business continuity, preserves corporate culture, enhances knowledge

capital and fuels the ambitions of the company's talent leading to better retention. It is ensured that internal talent is groomed for the next level responsibilities.

The Company runs various development programmes that caters to key talent at various levels of the organization. Various talent pools like the CEO club and LEAP club focus on developing talent for future leadership roles. As a result, over 70% of NAM India's leaders are home grown, and many more are getting future ready.

In line with the organization's vision to go digital, the HR processes have been moved to digital platforms to increase efficiency, effectiveness and better employee experience. The Company has invested in HR digitisation with state-of-the-art Oracle HCM for anytime and fully mobile-enabled HR systems availability to all employees with 100% digitized HR interactions, anytime and on-demand learning- on the go, seamless and 100% digital recruitment and onboarding and host of other HR interactions, including payroll, query management, etc. The Company has also implemented a few future looking policies, like the Flexi Work Policy, Hybrid Work from Home Policy, Family Support Policy, etc.

For a very high focus on people, culture and some of the best practices in HR, the Company has been recognised 4 times as AON Best Employer 2016, 2018, 2019 and 2021 and, has also featured in 'India's Best Companies To Work For' in 2018 by Great Place To Work. We have also been awarded the special recognition of "Jury award for "Commitment to Talent" in the latest edition of 2020 Kincentric Best Employers Awards. The Company is dedicated and committed to provide a great workplace that is inclusive and "equal-for-all" in all aspects as employees and customers form the core of any and every business decision.

XIV. CORPORATE SOCIAL RESPONSIBILITY

The Company has designated CSR priorities to respond to stakeholders' expectations and continue working together with the society to provide distinctive values. The purpose inspires a vision to accelerate growth in business while increasing its positive social impact. The Company works towards CSR projects and programmes in a multi-stakeholder approach covering all social, environmental, and economic aspects such as Environmental Sustainability, Rural Development, Healthcare and Sanitation, Education and Skill Development, Sports, Support for Armed forces and Poverty Alleviation and Reduction of Inequalities through its CSR programme.

The Company initiated projects in the areas of promoting preventive healthcare, education & skill development, sports, community development and climate and environmental sustainability. The

Company contributed of Rs. 13 crore in FY22, inter-alia, through non-profit centres engaged in the provision of healthcare, education, sports, rural development, Climate and environment.

The Company, through NGOs, has worked towards Programme for free cataract surgeries of the marginalized strata of the society, Support for welfare of the spouses, children and dependents of Army personnel, purchase of system with advanced technology for Radio Oncology and Radio-diagnosis for treatment of cancer patients, Programme to support Indian athletes and enable them to be competitive at the highest level of sports, Sustainable Livelihood Initiative (SAFAL), programme to support climate resilient agriculture activities for small farm holders and migrants, Programme on Integrated development of schools and community for environment sustainability and social development and an integrated programme on rural health and development to support tribal community members by working on malnutrition, health promotion and sustainable livelihoods

Our offices are fitted out and maintained keeping in mind, the mission of energy conservation and environment protection. Through several initiatives, a consistent and ongoing endeavour is on to reduce the carbon footprint.

Forward looking Statement / Cautionary Statement

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future

events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statement is prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards notified under Section 133 of the Act. The management of Nippon Life India Asset Management Limited ("NAM India" or "the Company") has used estimates and judgments relating to the financial statement on a prudent and reasonable basis, in order that the financial statement reflect in a true and fair manner, the and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statement and the notes to these statements included in the Annual Report.

Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "NAM India" or "Nippon Life India Asset Management Limited" are to Nippon Life India Asset Management Limited and its subsidiaries and associates.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company** : L65910MH1995PLC220793
2. **Name of the Company** : Nippon Life India Asset Management Limited
3. **Registered address** : 4th Floor, Tower A, Peninsula Business Park, Ganapatrao Kadam Marg, Lower Parel (W), Mumbai – 400 013
4. **Website** : <https://mf.nipponindiam.com/>
5. **E-mail id** : Investorrelation@nipponindiam.com
6. **Financial Year reported** : 2021-22

7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

Nippon Life India Asset Management Limited (“NAM” or “Company”) is one of the largest asset management companies in India. NAM is involved in managing (i) mutual funds (including ETFs); (ii) managed accounts, including portfolio management services, alternative investment funds and pension funds; and (iii) offshore funds and advisory mandates.

Services Code No.	Description
6001	Any other service not elsewhere specified

(As per notification no.52/ 2 /CAB-2012 issued by Ministry of Corporate Affairs)

8. **List three key products / services that the Company manufactures / provides (as in balance sheet)**

Mutual Fund, Portfolio Management Services and Offshore Advisory

9. **Total number of locations where business activity is undertaken by the Company**

- (a) Number of International Locations: NAM operates in three countries outside of India. It operates through subsidiaries in Singapore and Mauritius and through a representative office in Dubai.
- (b) Number of National Locations: NAM conducts its operations through a network of over 270 physical touch points, including owned branches as well as regional representative locations.

10. **Markets served by the Company**

NAM serves the Indian markets, along with international customers through its aforementioned offices.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** : 622 crore
2. **Total Turnover (INR)** : 1,536 crore
3. **Total profit after taxes (INR)** : 744 crore
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)** : 2%

5. **List of activities in which expenditure in 4 above has been incurred: -**

The Company works towards promoting education, upskilling, healthcare and health-related infrastructure, as well as rural community development. NAM contributes funds towards disaster relief, army welfare, Olympic sports training, climate action and environment conservation through its CSR programme.

The Company contributed Rs. 13 crore in FY22, through non-profit centres that promote the aforementioned environmental and social causes. Additional details of the CSR activities are available in annexure which forms part of the Annual report for FY22.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company / Companies?**

There are three subsidiary companies as on March 31, 2022.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes, Indian subsidiary does participate in the BR initiatives of the Company.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?

No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director responsible for implementation of the BR policy/policies

DIN Number	Name	Designation
02553654	Mr. Sundeep Sikka	Executive Director & CEO

2. Principle-wise (as per NVGs) BR Policy/policies

P1	Businesses 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.

(a) **Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Y	N (Refer Note 1)	Y	Y	Y	Y	N (Refer Note 2)	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	-	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y*	-	Y*	Y*	Y*	-	-	Y*	Y*
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	N	Y	N	-	-	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	-	Y	Y	Y	-	-	Y	Y
6	Indicate the link for the policy to be viewed online?	https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx**								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	Y	-	-	Y	Y

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the company have in-house structure to implement the policy/policies?	Y	-	Y	Y	Y	-	-	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	-	Y	Y	Y	-	-	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	-	Y	Y	Y	-	-	Y	Y

* All policies have been formulated in accordance with the applicable laws and regulations and after considering the best practices adopted by the industry.

** Some policies are internal to the company and not available on the website.

Notes:

- The core business area of NAM is to provide Investment Management and advisory services and hence this principle has limited applicability. NAM however, complies with all applicable regulations in respect of its operations.
- NAM, through various industry associations, provides suggestions with respect to the development and advancement of financial services industry.

3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company: Within 3 months, 3-6 months, Annually, More than 1 year**

The Company shall on an annual basis review and assess its BRR initiatives.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company published its maiden report on Business Responsibility for financial year 2017-18. The Company has been publishing this report on an annual basis. The BR forms a part of the Annual Report and is available on the website viz., <https://mf.nipponindiaim.com>.

SECTION E - Principle-wise performance

Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

The Company considers Ethics and Corporate Governance as an integral part of good management and is committed to act professionally, fairly and with integrity in all its dealings. The Company's code of ethics rest on the nine core values of honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring. The Company has instituted a Code of Conduct for its employees as well as for its Board and senior management. This Code lays down the acceptable conduct that is to be followed by its employees across the organisation and Board members while performing their responsibilities. The said Code is approved by the Board of Directors of the Company and is available on the Company's website. In addition to this, the Company's supplier code of conduct is built on values of honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

Stakeholder Complaints			
Complaints	No. of complaints received	No. of complaints resolved	% of complaints resolved
Shareholder Complaints	4	4	100%

Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The following products / services have been designed to incorporate social concerns as well as benefits from the available opportunities:

- a) Distributor Initiated Transaction within the Business Easy 2.0 Application – Distributors can initiate transactions digitally on behalf of investors and investors will digitally authenticate such transactions. For all such transactions there is no requirement of physical forms to be submitted.
- b) Statement of account is sent via SMS whereby investor can click on link and input verification details and access the statement of account in PDF version instantly. With this development NAM has stopped sending physical statements to new investors. Paper consumption has further been reduced.
- c) Go Green Initiative: Annual Reports, which runs into several pages, and had to be mandatorily sent to all investors, are now being sent only through e-mail, significantly reducing usage of paper. The initiative was spearheaded by NAM and has now become an industry practice.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

With regard to the Company's businesses, the question is not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

The Company has instituted a supplier code of conduct whereby each of its suppliers are expected to integrate ESG into their systems and processes. This supplier code of conduct is built on NAM's values of honesty, integrity, respect fairness, purposefulness, trust, responsibility, citizenship and caring and every supplier is expected to endeavour to adhere to the same. This code focuses on four pillars of Human Rights, Diversity and Inclusion, Environmental Stewardship and Ethics and Anti-Corruption.

4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

With regard to the Company's businesses, the question is not applicable.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

With regard to the Company's businesses, the question is not applicable.

Principle 3 Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees.

The total number of employees in the Company were 967 as on March 31, 2022.

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.

There are approximately 315 employees.

3. Please indicate the Number of permanent women employees.

There are 166 women employees.

4. Please indicate the Number of permanent employees with disabilities.

There is one employee with disability.

5. Do you have an employee association that is recognized by management?

No.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	The Company does neither hire nor encourage child labour, forced labour or involuntary labour. No Complaints.	Not Applicable
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	There is no discrimination in the recruitment process of the Company.	Not Applicable

8. What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year?

Permanent Employees - 83%

Permanent Women Employees - 81%

Casual/Temporary/Contractual Employees - 60%

Employees with Disabilities - 100%

Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders?

Yes, the Company has mapped its key stakeholder groups.

2. Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders.

Yes, NAM has identified disadvantaged, vulnerable and marginalised stakeholders through need assessment and engagements which fall under its Corporate Social Responsibility activities.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

The Company, through its implementing partners, has worked towards:

- programme for free cataract surgeries of the marginalised strata of the society,
- support for welfare of the spouses, children and dependents of Army personnel,
- purchase of system with advanced technology for Radio Oncology and Radio-diagnosis for treatment of cancer patients,
- programme to support Indian athletes and enable them to be competitive at the highest level of sports,
- Sustainable Livelihood Initiative (SAFAL) - a programme to support climate resilient agriculture activities for small farm holders and migrants,
- programme on integrated development of schools and community for environment sustainability and social development and,
- integrated programme on rural health and development to support tribal community members by working on malnutrition, health promotion and sustainable livelihoods.

Principle 5 Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company has a human rights' policy in place. This Policy will be applicable to all stakeholders of the Company. NAM adheres to all statutes which embodies the principles of human rights such as prevention of child labor, prevention of sexual harassment, equal employment opportunities etc. NAM is committed to a work environment in which all individuals are treated with respect and dignity. NAM affirms its commitment

to uphold human rights standards even if they are not mandated as a part of the local legal requirements. The Company also ensures that they are not complicit in human rights abuses and expects its stakeholders to do the same.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer our response to Principle No.1.

Principle 6 Businesses should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.

NAM is committed to achieve the global standards of health, safety and environment. It believes in safeguarding the environment for a sustainable future. The Code of Ethics and Business Policies cover environmental aspects and is applicable to all the personnel of the Company as well as other stakeholders (including Consultants, Representatives, Suppliers, Contractors and Agents) dealing with the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Not Applicable.

3. Does the company identify and assess potential environmental risks?

Not Applicable.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.

Yes. NAM's offices are fitted out and maintained keeping in mind, the mission of energy conservation and environment protection. Through several initiatives, a consistent and ongoing endeavour is on to reduce its carbon footprint. The Company is using highly efficient Star Rated Air-conditioning for its offices to conserve electricity. NAM is using LED light wherever it is setting up new branches or relocating existing offices for the conservation of energy. Usage of single-use plastic is not allowed. To reduce consumption of paper, NAM focuses on maximising the use of electronic and digital media for various internal and external communication.

6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Not Applicable

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at end of Financial Year.

Not received any notice from CPCB / SPCB.

Principle 7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, NAM is a member of the relevant trade and chamber or such similar associations. The major associations are as follows:

- a. Association of Mutual Fund Industry (AMFI)
- b. Confederation of Indian Industry (CII)
- c. Bombay Chamber of Commerce and Industry

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good?

Yes. The Company has undertaken several initiatives to impart investor education to its stakeholders in line with AMFI guidelines. Also, the Company has advocated with the above-mentioned associations for governance, administration, economic and educational reforms.

Principle 8 Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company took several initiatives along with implementing agencies to provide mid-day meals to children of government-aided schools and promotion of sports and, also donate towards welfare and relief funds set up by the Central / State government. Also, NAM contributed towards programmes for free cataract surgeries, lent support for welfare of the spouses, children and dependents of Army personnel and purchased systems with advanced technology for radio oncology and radio-diagnosis for treatment of cancer patients.

2. Are the programmes / projects undertaken through in-house team/own foundation / external NGO / government structures/any other organization?

The programmes were undertaken both, through in-house teams as well as in co-ordination with implementing partners.

3. Have you done any impact assessment of your initiative?

On a periodic basis, NAM measures the direction of its initiatives and its impact. The assessment helps in focusing its efforts and achieving better results.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has contributed Rs. 13 crore in FY22 towards corporate social responsibility activities.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company, through its various social programmes and financial inclusion initiatives, is expanding its coverage to rural and semi-urban markets and providing access to financial services to customers in those markets. NAM's products and services as well as the programmes, initiated through implementing partners, have made a positive impact on its targeted clientele.

Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year.

With regards to NAM's large customer base and business reach, the percentage of pending complaints is miniscule.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Yes. The Company complies with disclosure requirements relating to its products and services.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

In the ordinary course of services' business, customers and investors may have disputes with the Company regarding deficiency in services or product performance, which could result in a civil suit, or a consumer complaint. Most of NAM's businesses are linked to the capital markets and thus, prone to short-term fluctuations. The Company, regularly, engages with its customers to appropriately address their concerns; however, in some cases, legal resolutions may also be pursued.

4. Did your company carry out any consumer survey / consumer satisfaction trends?

NAM embarked on a transitional journey from the traditional post-facto interview-based annual CSAT survey to a more real time NPS-based survey, for measuring customer satisfaction. NAM is in the process of conducting the NPS-based survey.

Corporate Governance Report

CORPORATE GOVERNANCE PHILOSOPHY

Nippon Life India Asset Management Limited (the "Company") follows highest standards of corporate governance principles and best practices. The Company's corporate governance practice is guided by the core principles of transparency, disclosure, accountability, compliances, ethical conduct and its commitment to promote interests of all stakeholders.

GOVERNANCE PRACTICES AND POLICIES

The Company has formulated number of policies and has introduced several governance practices in order to not only comply with the applicable statutory and regulatory requirements but to also ensure transparency, integrity of financial reporting, adequate risk management, internal controls along with appropriate & rightful conduct at Board and Senior Management Level. These policies are reviewed periodically, and it is ensured that their continued relevance, effectiveness and responsiveness is adequately maintained with respect to the needs of the relevant stakeholders.

A. Values and commitments

We believe that any business conduct can be ethical only when it rests on the nine core values viz. honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring.

B. Code of Conduct

Our policy document on 'Code of Conduct' requires our employees to conduct the business with impeccable integrity and by excluding any consideration of personal profit or advantage.

C. Business policies

We have various 'Business Policies' specifically covering a comprehensive range of aspects such as fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, whistle blower policy, health, safety, environment and quality, to name a few.

D. Separation of the board's supervisory role from executive management

In line with the best global practices, we have adopted the policy of separating the Board's supervisory role from the executive management.

E. Risk management

We have strong and robust risk management systems & procedures, which facilitate the

management to adequately & suitably mitigate and control various business-related risks.

F. Compliance management

Our Compliance management systems are robust and tight enough to ensure that all kinds of compliance requirements are effectively managed without any exceptions and deviations. Culture of Compliance is considered a way of life and the organization has a zero-tolerance policy for non-compliances.

BOARDROOM PRACTICES

(a) Board Constitution

The composition of our Board is well aligned with the relevant provisions of the Companies Act, 2013 ("Companies Act"), SEBI (Mutual Funds) Regulations, 1996 ("Mutual Fund Regulations") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board currently consists of 8 directors out of which, 4 are Independent Directors. We also have one whole-time Director who is designated as "Executive Director & CEO". Directors of the Company collectively bring along, a very rich, varied and yet a balanced blend of experience in multiple segments including asset management, insurance, credit & alternative investments, corporate planning, banking, lending, compliance management, taxation planning & public administration, which immensely benefits the Company and its business activities.

(b) Board & Management Committees:

Pursuant to the provisions of the Companies Act and the Listing Regulations, the Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Committee of Directors and Risk Management Committee as Board's Sub Committees.

In addition to this, in order to enhance the internal controls and governance, the Board has also constituted various management level committees including Allotment Committee, Investment Committee, Valuation Committee, Operating Committee, Risk Management Committee, Technology Committee, Compliance Committee and Stewardship Committee, to name a few.

The scope of activities and the terms of reference of these management committees have been set out by the Board. The proceedings of the meetings of these management committees are recorded in the forms of minutes, which are also placed before the Board for its reference & noting.

(c) Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment as Independent Directors on the Board. The Committee, inter-alia, considers qualification, various qualitative attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such individuals. The Board considers the recommendations of the NRC before taking appropriate decisions in this regard.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every Financial year, furnishes the required declaration that he /she meets the required criteria of independence, as has been provided under the law.

(d) Tenure of Independent Directors

It is ensured that the tenure of Independent Directors on the Board of the Company is in line with the time period stipulated under the provisions of the Companies Act (as amended from time to time) and the circulars /notifications issued from time to time.

(e) Familiarization of Board Members

The Board members are periodically provided with an update with respect to the Industry, domestic and global economic scenarios, ongoing trends in capital markets, Company's business plan and strategies, new business initiatives, internal controls, training & education initiatives, performance review, regulatory developments and various other aspects, which are pertinent to keep them updated and familiarized with respect to Company and its business. In this regard, the necessary know-how & updates are generally provided as part of the formal meetings of the Board & its committees and at times over emails/ conference calls as well. The details of program for familiarisation of independent directors is put on the website of the Company at the following link:

<https://mf.nipponindiaim.com/InvestorServices/Pages/familiarization-programme.aspx>

(f) Meeting of Independent Directors

As required under the Companies Act, at least one separate meeting of the Independent Directors is held every financial year to discuss and transact matters, which have been stipulated under the relevant laws. The Independent Directors and rest of the Board members have an unrestricted access

to the key members of the operating team, so that as and when necessary, the Board members may engage with them in order to understand & discuss relevant business aspects.

(g) Board of subsidiary companies

All the subsidiaries of the Company are being managed by their respective Boards in accordance with the stipulated regulatory framework and in the best interest of their respective stakeholders. The performance of these subsidiary companies is periodically monitored by the Company. As part of the Listing Regulations, the minutes of the Board meetings of these subsidiary companies are also placed before the Company's Board for information purposes.

(h) Commitment of Directors

The meeting dates for the Board and committee meetings are scheduled well in advance in due consultation with the Directors. This enables the Directors to plan their commitments and it thus facilitates maximum attendance at the meetings. In case, on the date of the meeting of the Board and/ or its sub-committee, a particular Director is unable to travel to the venue of the meeting, then adequate provisions are made to facilitate their participation/ attendance through permissible audio-visual mediums. Due to the COVID pandemic, all the Board and Committee meetings during the year were held through audio-visual mediums.

(i) Role of the Company Secretary

The Company Secretary of the Company plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors, well in advance, for effective decision making at the meetings. The Company Secretary is primarily responsible, to assist and advise the Board, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory authorities for governance matters. All the Directors of the Company have direct & unhindered access to the advice and services of the Company Secretary.

(j) Independent Statutory Auditors

The Company's accounts are audited by a leading independent audit firm. During the year, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants acted as the Statutory Auditors for the Company. The term of M/s. S. R. Batliboi & Co. LLP is for five consecutive years, from the conclusion of the 23rd Annual General Meeting (AGM) until the conclusion of the 28th AGM.

COMPLIANCE WITH THE LISTING REGULATIONS

The Company is fully compliant with the mandatory requirements stipulated under the Listing Regulations. On a quarterly basis, the Board is apprised about the status of compliances with the applicable Listing Regulations. The report on compliance with the governance conditions specified in the Listing Regulations is as follows:

I. BOARD OF DIRECTORS

1. Board composition - Board strength and representation

As on the date of this report, the Board consists of eight Directors. The composition and category of Directors on the Board of the Company is as under:

Category	Name of Director & DIN
Independent Directors	Ms. Ameeta Chatterjee (DIN: 03010772)
	Gen. Ved Prakash Malik (Retd.) (DIN: 00006628)
	Mr. Ashvin Parekh (DIN: 06559989)
	Mr. Balasubramanyam Sriram (DIN: 02993708)
Non-executive & Nominee Directors	Mr. Tomohiro Yao (DIN: 08429687)
	Mr. Akira Shibata (DIN: 08107588)
	Mr. Minoru Kimura (DIN: 07497568)
Executive & Nominee Director	Mr. Sundeep Sikka (DIN: 02553654)

Notes:

- Mr. Yutaka Ideguchi resigned as a Director of the Company effective from 30th March 2022.
- Mr. Kazuyuki Saigo resigned as a Director of the Company effective from 21st April 2022.
- None of the Directors has any business relationship with the Company, except Mr. Sundeep Sikka, who is in the whole-time employment of the Company and is designated as Executive Director & CEO.
- None of the Directors have received any loans and advances from the Company during the year.
- All the independent directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations are also placed before the Board.

2. Conduct of Board proceedings

The day-to-day business is conducted by the ED & CEO along with the executives and business heads of the Company under the general supervision & directions of the Board. While the statutory requirement as per Companies Act, in terms of the number of Board meetings to be held in a year is only four (4) meetings; a much higher number of Board meetings are held each year in order to ensure maximum & timely disclosures, best governance and effective decision making. Various matters concerning Company's business, its operations, risk management, internal controls, compliance management, performance review, business strategies, business plans and budgets, audit matters and other pertinent issues are taken up and are thoroughly reviewed and deliberated at the Board meetings.

The Board performs the following specific functions in addition to overseeing the business and the management:

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, monitoring implementation and corporate performance; and overseeing major capital expenditures and acquisitions.
- Monitoring the effectiveness of the Company's governance practices and making changes when needed.
- Providing guidance and directions to the management in matters relating to the performance review & compensation process of directors and providing general guidance in terms of overall compensation policy and matters relating to succession planning in order to ensure that the key executives are appropriately aligned with the long-term interests of the Company and its shareholders.
- Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- Overseeing the process of disclosure and communications.
- Monitoring and reviewing Board Evaluation framework.

3. Board meetings

The Board held as many as 9 (nine) meetings during the financial year 2021-22 i.e., on April 27, 2021, May 31, 2021, June 21, 2021, July 19, 2021, September 13, 2021, October 26, 2021, December 10, 2021, January 27, 2022 and March 16, 2022. The maximum time gap between any two meetings during the year under review was 56 days and the minimum gap was 21 days. It may therefore be seen that the Company holds meetings of the Board more frequently than what has been statutorily prescribed.

4. Secretarial Standards issued by ICSI

The Company is strictly adhering to the secretarial standards relating to General body meetings and Board meetings, which have been issued by the Institute of Company Secretaries of India (ICSI), pursuant to the provisions of Section 118 (10) of the Companies Act and as approved by the Central Government.

5. Attendance of Directors

Attendance of the Directors at the Board meetings held during the financial year 2021-22 and the last AGM held on June 22, 2021 has been very overwhelming. The details of directorships (calculated as per provisions of Section 165 of the Companies Act and Regulation 17A of the Listing Regulations), Committee Chairmanships and Committee Memberships held by the Directors (calculated as Regulation 26(1) of the Listing Regulations) as on March 31, 2022 are as under:

Name of Director	Number of Board meetings attended	Attendance at the last AGM held on June 22, 2021	Number of directorships (including the Company)	Details on Directorships in listed entities (other than the Company)		Committee(s) Chairmanship / Membership (including NAM India)	
				Names of Listed Entity	Category of Directorship	Membership	Chairmanship
Mr. Akira Shibata	9	Present	3	-	-	1	-
Mr. Sundeep Sikka	9	Present	5	-	-	1	-
Ms. Ameeta Chatterjee	9	Present	12	MTAR Technologies Limited	Independent Director	7	3
				Jubilant Ingrevia Limited	Independent Director		
General Ved Prakash Malik (Retd.)	9	Present	2	-	-	2	-
Mr. Kazuyuki Saigo*	9	Present	3	-	-	1	-
Mr. Ashvin Parekh	9	Present	4	ICICI Securities Limited	Independent Director	5	4
				ICICI Lombard General Insurance Company Limited	Independent Director		
Mr. B. Sriram	9	Present	8	ICICI Bank Limited	Independent Director	5	1
				Unitech Limited	Govt. Nominee Director		
Mr. Yutaka Ideguchi @	9	Present	-	-	-	-	-

@ Ceased to be a Director of the Company on 30th March 2022.

* Ceased to be a Director on April 21, 2022.

Notes:

- a. None of the directors hold directorships in more than 20 companies of which directorship in public companies does not exceed 10, which is in line with the requirements under the provisions of Section 165 of the Companies Act.
- b. None of the directors hold membership of more than 10 committees of board nor is a chairman of more than 5 committees across the board(s) of listed entities.
- c. None of the Independent Director holds the position as an Independent Director in more than seven listed companies, as is required under the Listing Regulations.
- d. The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee (ii) Stakeholders Relationship Committee.
- e. The Committee membership and chairmanship, as above, excludes membership and chairmanship in private companies, foreign companies and Section 8 companies.
- f. Membership of committees includes chairmanship, if any.
- g. None of the Directors are related to each other.

6. Meeting of independent Directors

The Company's Independent Directors meet at least once in every Financial Year without the attendance of Non- Independent Directors and Management Personnel. For the F.Y. 2021-22, this meeting of the Independent Directors was held on March 30, 2022.

7. Details of directors

Summarized resumes of all the directors (as on date of this report) are furnished hereunder:

Mr. Akira Shibata (Non-executive & Nominee Director) currently serves as the General Manager / Global Asset Management Business Department at Nippon Life Insurance Company (NLI). In his over 25-year professional career with NLI, Mr. Shibata has engaged in Finance Planning & Management business for 3 years. Also, Mr. Shibata has been engaged in Public & Investors Relations for 3 years. Other than above, Mr. Shibata has also spent his professional career in NLI's U.S. group insurance subsidiary, Nippon Life Insurance Company of America, where he carried the position of Vice President for 4 years (2008 to 2012). Mr. Shibata is Bachelor of Laws from University of Tokyo and

MBA from A.B. Freeman School of Business, Tulane University.

As on March 31, 2022, Mr. Shibata does not hold any share in the Company.

Mr. Minoru Kimura (Non-executive & Nominee Director) currently serves as Managing Executive Officer, Head of Global Business at Nippon Life Insurance Company (Nippon). In his 32-year professional career with Nippon, Mr. Kimura has engaged in corporate planning for more than 10 years. Also, Mr. Kimura has worked for Nissay Asset Management Corporation in investment planning for 5 years from 2010 to 2015. Other than above, Mr. Kimura has also spent his professional career with Nippon Deutsche Asset Management Europe Limited and NLI Investments Europe Limited, where he carried the position of Chief Executive Officer for 4 years (2003 to 2007). He has engaged in Head of Asia Pacific at Nippon for 2 years (2018-2020) and Regional CEO for the Americas and Europe for 2 years (2020-2022).

As on March 31, 2022, Mr. Kimura does not hold any share in the Company.

Mr. Tomohiro Yao (Non-executive & Nominee Director) currently serves as Regional CEO for Asia Pacific and Head of India at Nippon Life Insurance Company. He is responsible for operations in the Asia Pacific. Mr. Tomohiro Yao is a seasoned professional with over 25 years of experience in the life insurance industry. He has extensive knowledge of Planning & Research and Global Business Planning at Nippon Life, Japan. In 2011 he assumed charges as Executive Assistant to the Chairman of Life Insurance Association, Japan for 2 years. Following which he was engaged in Nippon Life's Global Business Planning, leading Nippon Life's international M&A strategy. He was also responsible for driving Nippon Life's overseas Insurance businesses including India, Mainland China as well as the United States of America. He holds a degree of B.A. (Law) from Kyoto University and an MBA from Wharton School, University of Pennsylvania.

As on March 31, 2022, Mr. Yao does not hold any share in the Company.

General Ved Prakash Malik (Retd.) (Non-executive Independent Director) has worked in the Indian Army as Chief of the Army Staff from October 01, 1997 to September 30, 2000. He had dual responsibility of being an advisor to the Government as well as commander of 1.2 million strong Indian Army to fulfil its national role and assigned missions. During the service at Indian Army, General Malik was bestowed with prestigious awards like Ati Vishishta Seva Medal

(1986) and Param Vishita Seva Medal (1996). He has also received 'Excellence in Leadership Award' by Atur Foundation, 'Pride of Nation Award' by Doon Citizens Council and 'Distinguished Fellowship' by the Institute of Directors, New Delhi (1999). Since 2003, General Malik is also serving as Independent Director/ Advisor of some of the well known multinational companies.

As on March 31, 2022, General Malik (Retd.) does not hold any share in the Company.

Ms. Ameeta Chatterjee (Non-executive Independent Director) has over 18 years of corporate finance experience in developing, managing and executing infrastructure projects across sectors in India and UK. After starting her career with ICICI Limited in 1995, she moved to KPMG to set up their infrastructure related Corporate Finance team. During her 8 years with KPMG, she gained experience across various sectors including health, education, Public Private Partnerships etc. In 2010, she moved to corporate sector as GM- Investments & Acquisitions at Leighton India Contractors Pvt. Ltd where she worked on various joint venture projects & also oversaw the finance, tax and secretarial matters. Since September 2011, she has been working as an independent consultant advising companies on strategic growth, India entry strategy etc. She is also a columnist with Times of India writing on working women issues & she also supports the cause of children's healthcare through Ekam Foundation.

As on March 31, 2022, Ms. Chatterjee does not hold any share in the Company.

Mr. Sundeep Sikka (Executive & Nominee Director of NLI) is the Executive Director & Chief Executive Officer of the Company. Mr. Sikka has held both Vice-Chairman and Chairman positions of the industrial body AMFI (Association of Mutual Funds in India). Sundeep joined the Company in 2003, holding various leadership positions before being elevated in 2009, when he became one of the youngest CEOs of India. He has rich experience in the financial services sector, Mr. Sikka went on to lead the Company towards tremendous growth of assets and to emerge as one of the most trusted mutual fund houses in India. Mr. Sikka has grown the company to an all-round brand that thrice won 'Aon Best Employer' in the last four years and was certified Great Place to Work' in 2018. He has not only been responsible for the growth of the company but also forging a relationship with NLI, acquisition of Goldman Sachs Asset Management (India), and listing of the Company on stock exchanges.

Mr. Sikka is an alumnus of Harvard Business School. He closely works with Regulatory Bodies i.e. RBI, SEBI and Ministry of Finance on matters related to asset management.

During his career, he has received several awards and recognitions such as (Asian Business Leader of the Year 2018 (The Economic Times), CEO of the Year (India) – Asia Asset Management Awards 2018, Being recognized as one of India's Top 25 Hottest Young Executives by the magazine 'Business Today' and also being part of Asia FM Power 50 list, as one of the most influential individuals across Asia ex Japan fund industry.

Mr. Sundeep Sikka has also held various strategic position as follows:-

- Association of Mutual Funds in India – Held both Vice-Chairman and Chairman positions of industrial body AMFI.
- Reserve Bank of India – Member of Technical Advisory Committee on Money, Foreign Exchange & Government Securities Markets
- National Securities Depository Limited – Member of Executive Committee
- Federation of Indian Chambers of Commerce and Industry
- Member of Capital Markets Committee
- Chair: Asset Management Sub-Group of FICCI's Capital Markets Committee
- Chair: Confederation of Indian Industry (CII) Mutual Fund Summit 2019-20
- Member of SES ESG Advisory Board
- CII Western Region Council - Chairman of the Task Force of Banking & Finance for the year 2021-22
- Speaker at various domestic and international forums and conferences.

As on March 31, 2022, Mr. Sikka held 4,07,694 equity shares in the Company.

Mr. Ashvin Parekh (Non-executive Independent Director) is a qualified Chartered Accountant and has set up the advisory service company – Ashvin Parekh Advisory Services LLP (APAS) in the areas of providing services to the Boards and the management of the financial services sector companies, in June 2013. Mr. Parekh retired as a Senior Partner from Ernst & Young in June 2013 and was with EY for 8 years. Earlier Mr. Parekh was the Executive Director of Deloitte Touche Tohmatsu India Pvt. Ltd. from July 2002 till June 2005. Mr. Parekh has also held senior positions in Arthur Anderson, Price Waterhouse Coopers,

KPMG India, KPMG UK, KPMG Dubai and Hindustan Lever Ltd. Mr. Parekh has worked in the United Kingdom, Dubai, Australia, Germany and the US on Partner secondment programs for about 11 years outside of India. He is registered with the World Bank and the Asian Development Bank as an expert in the financial services sector. He has worked on gamut of areas like business strategies, corporate planning, institutional strengthening and business transformation across industries including banking, insurance, pension and capital markets. He has been a member of several committees set up by the Ministry of Finance, RBI, IRDA and SEBI. He is also a member of industry bodies and associations namely CII, FICCI and ASSOCHAM.

As on March 31, 2022, Mr. Parekh does not hold any share in the Company.

Mr. B. Sriram (Non-executive Independent Director) has 37 years of experience in all areas of Banking and Finance. He joined State Bank of India as a Probationary Officer in December 1981 and has held various key assignments within the Bank and the Group in Credit and Risk, Retail, Operations, IT, Treasury, Investment Banking and International Operations.

Experience Overview:

- Managing Director & CEO, IDBI Bank Ltd. from June 30, 2018 to September 29, 2018.
- Managing Director, State Bank of India from July 2014 to June 2018.
- Managing Director, State Bank of Bikaner & Jaipur from March 2013 to July 2014

As on March 31, 2022, Mr. Sriram does not hold any share in the Company.

During the Financial Year 2021-22, Mr. Yutaka Ideguchi resigned as a Director of the Company. Mr. Kazuyuki Saigo who was a Director of the Company as on March 31, 2022, resigned as such effective April 21, 2022. None of them held any equity shares of the Company as on March 31, 2022.

8. Insurance Coverage

The Company has obtained a suitable Directors' and Officers' liability insurance cover as well Errors and Omissions policy, for the benefit of its directors & officers and those of its subsidiary companies. The company has also adequately insured its properties, physical assets including electronic devices such as servers, laptops, etc. against losses. The company has also obtained cyber liability insurance to protect its "data" assets.

9. Skill Sets/ Expertise/ Competencies of Directors

The skill sets, experience and individual competencies of the Directors are in line with the nature of Company's business activities and the underlying requirements. The Board members have adequate vintage & experience (coupled with their respective qualifications) to complete the relevant business aspects/ areas i.e. capital markets, know-how, compliance, risk management, legal aptitude, audits, financial acumen, government & regulatory framework, and general management. These aspects are also adequately covered under the Board Diversity Policy, which has been approved by the Board.

While the Board as a whole is a complete unit in itself and is a bundle & perfect mix of all the required skill sets, expertise and knowledge; however speaking of specific individual skill sets and knowledge base, it may be noted that (a) Ms. Ameeta Chatterjee has strong acumen towards matters of corporate finance, investments, transaction advisory and with a flair of financial acumen & risk management; (b) General Ved Prakash Malik (Retd.), who has been the Chief of Army Staff for a period of 3 years and having illustriously served Indian armed forces for a long period carries with him loads of experience in the matter of general management, ethics and governance; (c) Mr. Ashvin Parekh, who being a qualified Chartered Accountant and is an expert in financial services sector having worked in gamut of areas like business strategies, corporate planning, institutional strengthening and business transformation across industries including banking, insurance, pension and capital markets.; (d) Mr. Minoru Kimura, being a NLI representative director, brings on Board his vast & rich experience in global business management, corporate planning and investments, and so on; (e) Mr. Akira Shibata, another representative of NLI on the Board of the Company has lot of relevant experience and skill sets in the areas of corporate planning and business management and he acts as an ambassador of NLI in bringing in best risk management and corporate practices to the company's business; (f) Mr. Sundeep Sikka, who is an executive Board member has been an Industry veteran and expert and he brings on Board his rich experience in the areas of corporate strategy, regulatory affairs, risk management, general business administration, knowledge and relationships at international level, to promote and augment Company's international business pursuits; (g) Mr. B. Sriram is an expert in all areas of Banking and Finance and has handled key assignments in Credit and Risk, Retail, Operations, IT, Treasury, Investment Banking and International Operations; and lastly (h) Mr. Tomohiro Yao is a seasoned professional in the Life Insurance industry with rich experience in the areas of research, global business Planning & Operations.

II. AUDIT COMMITTEE

In terms of Section 177 of the Companies Act and the Listing Regulations, the Company has an Audit Committee in place. The Committee presently comprises of four independent non - executive directors and two non-independent non- executive directors of the Company viz. Mr. Ashvin Parekh (Chairperson), General Ved Prakash Malik (Retd.), Ms. Ameeta Chatterjee, Mr. B. Sriram, Mr. Akira Shibata, and Mr. Minoru Kimura as its members. All the members of the Committee have suitable knowledge and expertise in the areas of finance, accounting & auditing.

Mr. Yutaka Ideguchi, who was earlier the Director of the Company and was also acting as a member of the Audit Committee have ceased to remain so effective April 21, 2022 i.e. the date wherefrom he resigned from the directorship of the Company.

The Audit Committee, inter- alia, advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit and risk management can be improved. In addition thereto, the Audit Committee looks at the appointment or changes in the auditors (statutory as well as internal), the audit reports that are periodically presented by the auditors, the business plan and annual budget and performs all other duties and functions, as are required under the applicable laws.

Pursuant to the provisions of the Companies Act and the Listing Regulations, the Board has approved the following terms of reference for the Audit Committee:

- (a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommend the appointment, remuneration and terms of appointment of the auditors including statutory auditors (for company and for company's various businesses such as Mutual Funds etc.), Internal auditors (for company and for company's various businesses such as Mutual Funds, Portfolio Management Services etc.) and the Secretarial Auditors;
- (c) Approve payment to statutory auditors for any other services rendered by them;
- (d) Review with the management, the annual financial statements and auditor's report thereon (as received from various sets of auditors) before submission to the Board for approval, with particular reference to:
 - (i) matters required to be included in the Director's Responsibility Statement to be

included in the board of directors report in terms of clause (c) of sub- Section (3) of Section 134 of the Companies Act;

- (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions; and
 - (vii) modified opinion(s) in the draft audit report;
- (e) Review, with the management, the quarterly and any other partial year-period financial statements before submission to the board of directors for approval;
 - (f) Review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
 - (g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - (h) Approve or subsequently modify transactions of the Company with related parties;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.
 - (i) Scrutinize inter-corporate loans and investments;
 - (j) Valuation of undertakings or assets of the Company, wherever it is necessary;
 - (k) Evaluate internal financial controls and risk management systems;
 - (l) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- (m) Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n) Discuss with internal auditors of any significant findings and follow up there on;
- (o) Review 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;
- (p) Discuss 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;
- (q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) To review the functioning of the whistle blower mechanism;
- (s) Approve the appointment of the Chief Financial Officer of the Company (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;
- (t) Oversee the vigil mechanism established by the Company and the chairperson of the Audit Committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns;
- (u) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (v) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder; and
- (w) Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of the

Company or specified/provided under the Companies Act or by the Listing Regulations or by any other regulatory authority.

Attendance at the meetings of the Audit Committee held during FY 2021-22

During the year, the Audit Committee held its meetings on April 27, 2021, June 21, 2021, July 19, 2021, September 13, 2021, October 26, 2021, January 27, 2022 and March 16, 2022. The maximum and minimum time gap between any two meetings, during the year under review was 93 days and 28 days, respectively. Following is the summary of attendance at the Audit Committee Meeting:

Members	Number of Meetings held during the tenure	Attended
General Ved Prakash Malik (Retd.)	7	7
Ms. Ameeta Chatterjee	7	7
Mr. Akira Shibata	7	7
Mr. Ashvin Parekh	7	7
Mr. B. Sriram	7	7
Mr. Yutaka Ideguchi @	7	7

@ceased to be member on March 30, 2022.

Notes:

- The Chairman of the Audit Committee was present at the last AGM of the Company.
- The Audit Committee considered all the points referred to in terms of its reference as and when required.
- The Company Secretary acts as the Secretary to the Audit Committee.
- During the year, the Committee discussed with the Company's auditors the overall scope and plans for the independent audit.
- The Management represented to the Committee that the Company's financial statements have been prepared in accordance with prevailing laws and regulations. The Committee discussed the Company's audited financial statement, the rationality of significant judgments and the clarity of disclosures in the financial statement. Based on the review and discussions conducted with the Management and the auditors, the Audit Committee believes that the Company's financial statement are fairly presented in conformity with prevailing laws and regulations in all material aspects.

- The Committee has also 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 the prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control systems of the Company. The Committee also reviewed the financial policies of the Company and expressed its satisfaction with the same. The Committee, after review expressed its satisfaction on the independence of both the Internal and the Statutory Auditors.

III. NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Companies Act and Listing Regulations, the Company has a Nomination and Remuneration Committee in place, which comprises of six Directors, viz. General Ved Prakash Malik (Retd.) as the Chairman, Mr. Tomohiro Yao, Ms. Ameeta Chatterjee, Mr. Ashvin Parekh, Mr. B. Sriram and Mr. Minoru Kimura as members.

Mr. Yutaka Ideguchi and Mr. Kazuyuki Saigo who were earlier Directors of the Company and were also acting as members of the Nomination and Remuneration Committee have ceased to remain so effective March 30, 2022 and April 21, 2022 i.e. the date wherefrom they resigned from the directorship of the Company.

The Company's Nomination & Remuneration Policy has been provided as an Annexure to the Board's Report. Pursuant to the provisions of the Companies Act, Listing Regulations and the SEBI (Share Based Employees Benefits) Regulations, 2014, the terms of reference of the Nomination & Remuneration Committee, inter-alia, include the following:

- (i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- (ii) formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- (iii) devise a policy on diversity of the Board;

- (iv) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of Independent Directors;
- (v) recommend to the board, all remuneration, in whatever form, payable to senior management;
- (vi) perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following-
 - (a) administering the Employees Stock Option Plans, as may be proposed and implemented from time to time (the "Plan");
 - (b) determining the eligibility of employees to participate under the Plan;
 - (c) granting options to eligible employees and determining the date of grant;
 - (d) determining the number of options to be granted to an employee;
 - (e) determining the exercise price under the Plan; and
 - (f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.
- (vii) recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees while ensuring the following:
 - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short term & long term performance objectives appropriate to the working of the Company and its goals.
- (viii) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

- (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (ix) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;
- (x) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act or by the Listing Regulations or by any other applicable law or regulatory authority.

Attendance at the meetings of the Nomination & Remuneration Committee held during FY 2021-22

The Nomination & Remuneration Committee held its meetings on April 27, 2021, July 19, 2021, January 27, 2022 and March 16, 2022. The maximum and minimum time gap between any two meetings, during the year under review was 192 days and 48 days, respectively. Following is the summary of attendance at the Nomination & Remuneration Committee Meeting(s):

Members	Number of Meetings held during the tenure	Attended
Ms. Ameeta Chatterjee	4	4
General Ved Prakash Malik (Retd.)	4	4
Mr. Ashvin Parekh	4	4
Mr. Kazuyuki Saigo*	4	4
Mr. B. Sriram	4	4
Mr. Yutaka Ideguchi@	4	4

@ceased to be member on March 30, 2022.

* ceased to be member on April 21, 2022.

Criteria for making payments to non-executive directors

The sitting fees being paid to the non-executive directors has been appropriately benchmarked and is in line with the relevant market practices and the roles & responsibilities assumed by them in their capacity as Directors. Details of the sitting fees paid to the Non-Executive Directors during the Financial Year ended March 31, 2022 is as follows:

Directors	Sitting fees (in ₹)
Ms. Ameeta Chatterjee	24,00,000
General Ved Prakash Malik (Retd.)	23,00,000
Mr. Ashvin Parekh	28,00,000
Mr. B. Sriram	24,00,000
Mr. Kazuyuki Saigo*	-
Mr. Akira Shibata*	-
Mr. Yutaka Ideguchi*	-

*At the request of Nippon Life Insurance Company (NLI), the sitting fees payable to Mr. Kazuyuki Saigo, Mr. Akira Shibata and Mr. Yutaka Ideguchi (being nominees of NLI) has been waived off from the Board and Committee meetings.

Notes:

- a. There were no other pecuniary relationships or transactions of Non-Executive Director vis-à-vis the Company.
- b. The Company has so far not issued any stock options to its Non-Executive Directors.
- c. Pursuant to the limits approved by the Board, all Non - Executive Directors (except nominees of NLI), were paid sitting fees of ₹ 1,00,000/- for attending each meeting of the Board and the Audit Committee and other Board sub-committees.
- d. There was no amount paid as commission to the Directors for the financial year 2021-22.
- e. During the year, Mr. Sundeep Sikka, CEO & Executive Director was paid a remuneration of Rs. 688.62 lakhs. Detailed Break up of his remuneration is given hereunder:

Amount (Rs. in Lakh)		
Sl. no.	Particulars of Remuneration	Mr. Sundeep Sikka (ED & CEO)
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	686
	b) Value of perquisites under Section 17(2) Income Tax Act, 1961	2.62
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-

Amount (Rs. in Lakh)

Sl. no.	Particulars of Remuneration	Mr. Sundeep Sikka (ED & CEO)
2	Stock Option (Number of Options granted in FY 2021-22)	NIL
3	Sweat Equity	-
4	Commission	-
	Total (A)	688.62

Employee Stock Option Scheme

With the perspective of promoting the culture of ownership and to attract, retain, motivate and incentivize senior as well as critical talent, the Company has formulated “Nippon Life India Asset Management Limited - Employee Stock Option Plan 2017 (“NAM INDIA ESOP 2017”)” [formerly known as “Reliance Nippon Life Asset Management Limited – Employee Stock Option Plan 2017”] and “Nippon Life India Asset Management Limited - Employee Stock Option Plan 2019 (“NAM INDIA ESOP 2019”)” [formerly known as “Reliance Nippon Life Asset Management Limited – Employee Stock Option Plan 2019”]. The Plans have been prepared in due compliance of the Companies Act and The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [erstwhile The SEBI (Share Based Employee Benefits) Regulations, 2014].

IV. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 of the Companies Act and Listing Regulations, the Company has constituted a Stakeholders Relationship Committee. The terms of reference of the Stakeholders Relationship Committee are as follows:

- a. To Resolve the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Committee presently comprises of Ms. Ameeta Chatterjee as the Chairperson, Mr. Tomohiro Yao, Mr. Sundeep Sikka, Mr. Ashvin Parekh and Mr. B. Sriram as the members.

Mr. Kazuyuki Saigo, who was also a member of this Committee, ceased to remain as such, after he resigned from the directorship of the Company effective April 21, 2022.

Attendance at the meeting of the Stakeholders Relationship Committee held during F.Y. 2021-22.

During the year, the Stakeholders Relationship Committee held its meetings on September 13, 2021 and January 27, 2022. The time gap between two meetings, during the year under review was 136 days. Following is the summary of attendance at the Stakeholders Relationship Committee Meeting:

Members	Number of Meetings held during the tenure	Attended
Ms. Ameeta Chatterjee	2	2
Mr. Sundeep Sikka	2	2
Mr. Kazuyuki Saigo*	2	2
Mr. Ashvin Parekh	2	2
Mr. B. Sriram	2	2

* ceased to be member on April 21, 2022.

V. COMPLIANCE OFFICER

Ms. Nilufer Shekhawat, Company Secretary of the Company has been designated as the Compliance Officer of the Company under Listing Regulations.

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In terms of Section 135 of the Companies Act, the Company has constituted a CSR Committee. As on the date of this report, the Committee comprises of Mr. Tomohiro Yao as the chairperson, General Ved Prakash Malik (Retd.), Mr. Ashvin Parekh, Mr. Akira Shibata, Mr. Sundeep Sikka, Ms. Ameeta Chatterjee, Mr. B. Sriram and Mr. Minoru Kimura as the members. The Committee’s primary responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of ‘Corporate Social Responsibility Policy’. The CSR Committee has formulated a CSR policy indicating the activities to be undertaken by the Company.

Mr. Yutaka Ideguchi and Mr. Kazuyuki Saigo who were earlier Directors of the Company and were also acting as members of the Corporate Social Responsibility Committee have ceased to remain so effective March 30, 2022 and April 21, 2022 i.e. the date wherefrom they resigned from the directorship of the Company.

The Committee’s constitution and terms of reference meet with the requirements of the Companies Act.

Attendance at the meeting of the CSR Committee held during FY 2021-22.

The CSR Committee held its meetings on October 26, 2021 and March 11, 2022. The time gap between two meetings during the year under review was 136 days and following is the summary of attendance in the meetings of CSR Committee:

Members	Number of Meetings held during the tenure	Attended
Gen. Ved Prakash Malik (Retd.)	2	2
Ms. Ameeta Chatterjee	2	2
Mr. Akira Shibata	2	2
Mr. Sundeep Sikka	2	2
Mr. Kazuyuki Saigo*	2	1
Mr. Ashvin Parekh	2	2
Mr. B. Sriram	2	2
Mr. Yutaka Ideguchi @	2	1

@ceased to be member on March 30, 2022.

* ceased to be member on April 21, 2022.

VII. RISK MANAGEMENT COMMITTEE

In terms of Listing Regulations, the Company has constituted a Risk Management Committee of the Board (RMC).

The terms of reference of the Risk Management Committee includes but is not limited to the following:

- Exercise Board level oversight over risk management, including information and cyber security, operations of the company.
- Formulate a detailed risk management policy which includes - a framework for identification of internal and external risks faced by NAM India (including financial, operational, sectoral, sustainability (particularly ESG related risks), information and cyber security, etc.), measures for risk mitigation including systems and processes for internal controls of identified risks and business continuity plan.
- Monitor and oversee implementation of the risk management policy, including evaluation of adequacy of risk management systems.
- Periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity.
- Define risk appetite of levels.
- Exercise oversight and review of the risk profile of NAM India to ensure that risk is not higher than the defined risk appetite levels.

- Assess NAM India's risk profile and monitor significant risks associated with its activities.
- Ensure that NAM India is taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.
- Ensure that the risk awareness culture is pervasive across NAM India.
- Ensure that the infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.
- Keep the board of directors informed about the nature and content of its (RMCB) discussions, recommendations and actions to be taken.
- Review the appointment, removal and terms of remuneration of the Chief Risk Officer.
- Coordinate with other committees, in instances where there is any overlap with activities of such committees.

The Committee presently comprises of Mr. Tomohiro Yao as the Chairperson, Mr. Akira Shibata, Mr. Sundeep Sikka, Mr. Ashvin Parekh, Mr. B. Sriram and Mr. Rishi Garg as the members.

The RMC Committee held its meetings on October 8, 2021 and March 16, 2022. The time gap between two meetings during the year under review was 159 days and following is the summary of attendance in the meetings of RMC meetings:

Members	Number of Meetings held during the tenure	Attended
Mr. Akira Shibata	2	2
Mr. Sundeep Sikka	2	2
Mr. Kazuyuki Saigo*	2	1
Mr. Ashvin Parekh	2	2
Mr. B. Sriram	2	2
Mr. Rishi Garg	2	2

* ceased to be member on April 21, 2022 due to resignation from the directorship of the Company.

The Company also has a Risk Management Committee at the management level (constituting of the executives), which looks into various areas of risk management and internal controls.

The minutes of all meetings of all the Committee of the Board of Directors are placed before the Board.

VIII. GENERAL BODY MEETINGS

The Company held its last three AGMs as under:

Financial Year	Date and time	Venue of the meeting	Whether any special resolution Passed or not
2021-22 AGM	June 22, 2021 12.00 NOON (IST)	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	Yes
2020-21 AGM	July 17, 2020 11.00 A.M. (IST)	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No
2019-20 AGM	September 23, 2019 11.30 A. M.	Hall of Culture, Ground Floor, Nehru Centre, Dr. A. B. Road, Worli, Mumbai – 400 013	No

IX. POSTAL BALLOT

The Company has not initiated any postal ballot exercise during the year.

During the year under review, no EGM was held by the Company.

X. MEANS OF COMMUNICATION

- (a) **Quarterly results:** Quarterly results are published in The Financial Express, (English) newspaper circulating in substantially the whole of India and in Navshakti, (Marathi) vernacular newspaper and are also posted on the Company'.
- (b) **Media releases and Presentations:** Official media releases are sent to the Stock Exchanges before their release to the media for wider dissemination. Presentations made to media, analysts, institutional investors, etc. are posted on the Company's website.
- (c) **Website:** The Company's website contains a separate dedicated section, identifiable as 'NAM India Shareholders/Investors'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company, information on dividend declared by the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered / facilities extended by the Company to our investors, in a user- friendly manner. The basic information about the Company as called for in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly.

- (d) **Annual Report:** The Annual Report containing, inter- alia, Notice of the AGM, Audited Financial Statement, Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Business Responsibility Report and Management Discussion and Analysis Report forms part of the Annual Report and are displayed on the Company's website. The Companies Act, 2013 read with the Rules made thereunder and the Listing Regulations facilitate the service of documents to members through electronic means. The Company emails the soft copies of this Annual Report to all those members whose e-mail IDs are available with its Registrar and Transfer Agent or Depositories.

- e) **NSE Electronic Application Processing System (NEAPS) / Digital Portal:** NEAPS / Digital Portal is a web based system designed by NSE for corporates. The shareholding pattern, corporate governance report, corporate announcement(s), media release, results, etc. are filed electronically on NEAPS / Digital Portal.
- f) **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** The Listing Centre is a web-based application designed by BSE for corporates. The shareholding pattern, corporate governance report, media release(s), results, Corporate Announcements, etc. are filed electronically on the Listing Centre.
- g) **Designated e-mail id:** The Company also has a designated e-mail id Investorrelation@nipponindiaim.com exclusively for investor servicing.
- h) **SEBI Complaints Redressal System (SCORES):** The investors' complaints are also being processed through the centralised web based complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints.

XI. MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report forms part of this Annual Report and includes discussions on various matters specified under Regulation 34(2), Schedule V of the Listing Regulations.

XII. SUBSIDIARIES

As of March 31, 2022, your Company had three (3) subsidiaries. Two of such subsidiaries are overseas,

being one each in Singapore and Mauritius and one subsidiary being in India. All the subsidiaries of the Company are engaged in financial services sector and related activities.

The Company monitors performance of subsidiary companies, inter-alia, by the following means:

- (a) Financial statements, in particular the investments made by unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.
- (b) Minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.
- (c) A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board / Audit Committee.

In addition to this, the business & performance of the subsidiary Companies is also discussed at periodical intervals.

The policy for determination of material subsidiary is put on the website of the Company at the link

<https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

XIII. DISCLOSURES

a. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. No penalties or structures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority pertaining to capital markets.

b. Related Party Transactions

During the financial year 2021-22, no transactions of material nature had been entered into by the Company that may have a potential conflict with interest of the Company. The details of related party transactions are disclosed in Notes to Accounts. The policy on related party transactions is put on the website of the Company at the link

<https://mf.nipponindiaim.com/InvestorServices/Pages/Investor-Policies.aspx>

c. Accounting Treatment

In the preparation of financial statement, the Company has followed the Accounting Standards, as applicable. The Accounting Policies followed by the Company to the extent relevant, are set out elsewhere in this Annual Report.

d. Risk Management

The Company has laid down a robust Risk Management Policy which clearly defines the risk governance structure including roles and responsibility of stakeholders towards risk management. Risk management acts as an enabler of growth for the Company by helping businesses to identify the inherent risks, assess, evaluate and monitor these risks and undertake effective steps to manage and mitigate these risks.

The company has controls, procedures and policies to monitor and mitigate various risks such as strategic and business risk, credit risk, operational risk, competition risk, regulatory risk, human resource risk, outsourcing risk, information security risks, cyber security risks, macro-economic risks, etc.

The company also has a structured risk reporting mechanism to ensure risks are monitored and reviewed by Senior Management, RMCBs and Board on a periodic basis.

e. Prevention of Money Laundering – Know Your Customer Policy

In keeping with specific requirements for being an asset management company, the Company has also formulated a Prevention of Money Laundering and Know Your Customer Policy.

f. Certification by Company Secretary in practice

Mr. Mukesh M. Siroya, a Company Secretary in practice has given a certificate that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The copy of the same forms part of this Annual Report.

g. Independence of Director

The Directors have confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are Independent of the management.

h. Total fees for all services paid by the Company and its Subsidiaries, on a Consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part:

(Amount in Rs. Cr)

Particulars	NAM INDIA	Subsidiaries	Total Fees Paid
Fees paid to S.R. Batliboi & Affiliates	0.63	0.31	0.94

i. Code of Conduct

The Company has adopted the code of conduct and ethics for directors and senior management. The Code has been circulated to all the members of the Board and senior management and the same has been posted on the Company’s website, i.e. <https://mf.nipponindiaim.com>. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the Executive Director & CEO of the Company is given below:

“It is hereby declared that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2021-22.”

j. CEO / CFO certification

Mr. Sundeep Sikka, Executive Director & CEO and Mr. Prateek Jain, CFO of the Company have provided certification on financial reporting and internal controls to the Board as is required under Regulation 17(8) of the Listing Regulations.

k. Review of Directors’ Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended March 31, 2022 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

l. VIGIL MECHANISM

In accordance with Section 177 of the Act and the Listing Regulations, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any. The policy can be accessed on the Company’s website. It is affirmed that no person has been denied access to the chairperson of Audit Committee.

m. PARTICULARS OF LOANS AND ADVANCES

There are no Loans and advances in the nature of loans to firms/companies by the Company and its subsidiaries in which directors are interested.

XIV. POLICY ON INSIDER TRADING

The Company has formulated Nippon Life India Asset Management Limited - Personnel Securities Trading Policy for Prevention of Insider Trading and Code for Fair Disclosure of Unpublished Price Sensitive Information (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars issued from time to time. The Board has appointed

Mr. Muneesh Sud, Chief Legal & Compliance Officer of the Company as the Compliance Officer responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code under the overall supervision of the Board. The Company’s Policy, inter-alia, prohibits purchase and / or sale of securities of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

XV. COMPLIANCE OF REGULATION 34(3) AND PARA F OF SCHEDULE V OF THE LISTING REGULATIONS

As per Regulation 34(3) and Para F of Schedule V of the Listing Regulations, the details in respect of equity shares lying in “Unclaimed Suspense Account - Reliance Nippon Life Asset Management Limited” were as follows:

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying on April 01, 2021	0	0
Number of shareholders to whom shares were transferred from suspense account during the period April 01, 2021 to March 31, 2022	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying on March 31, 2022	0	0

XVI.COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

1. Audit qualifications

There are no audit qualifications on the financial statements of the Company for the financial year 2021-22.

2. Reporting of internal auditor

The internal auditor reports directly to the Audit Committee of the Company.

XVII. GENERAL SHAREHOLDER INFORMATION

The mandatory and various additional information of interest to investors are voluntarily furnished in a separate section on investor information in this annual report.

XVIII. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Auditors' certificate on compliance of Regulation 34(3) of the Listing Regulations relating to corporate governance is published elsewhere in this Report.

XIX. REVIEW OF GOVERNANCE PRACTICES

We have in this Report attempted to present the governance practices and principles being followed at the Company, as evolved over a period, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices would be continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognised practices of governance, so as to meet the expectations of all our stakeholders.

Summary of compliance of corporate governance requirements specified in regulation 17 to 27 and regulation 46(2)(b) to (i) of the Listing Regulations

I. Disclosure on website in terms of Listing Regulations

Item	Compliance status (Yes/No/NA)
As per regulation 46(2) of the LODR:	
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programs imparted to independent directors	Yes
Email address for grievance redressal and other relevant details	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	Yes
New name and the old name of the listed entity	Yes
Advertisements as per regulation 47 (1)	Yes
Credit rating or revision in credit rating obtained by the entity for all its outstanding instruments obtained	Not Applicable
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Yes
As per other regulations of the LODR:	
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes
Materiality Policy as per Regulation 30	Yes
Dividend Distribution policy as per Regulation 43A (as applicable)	Yes
It is certified that these contents on the website of the listed entity are correct.	Yes

II Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of directorship	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of nomination & remuneration committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) and 20(2A)	Yes
Meeting of stakeholder relationship committee	20(3A)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Meeting of Risk Management Committee	22	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Not Applicable
Maximum Tenure	25(2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other Corporate Governance requirements	27	Yes

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Nippon Life India Asset Management Limited
 4th Floor, Tower A, Peninsula Business Park,
 Ganapatrao Kadam Marg, Lower Parel (W), Mumbai – 400013

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of Nippon Life India Asset Management Limited bearing CIN L65910MH1995PLC220793 and having registered office at 4th Floor, Tower A, Peninsula Business Park, Ganapatrao Kadam Marg, Lower Parel (W), Mumbai – 400013 (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 Sub 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 of the Ministry of Corporate Affairs at "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 ending on March 31, 2022 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 other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ved Prakash Malik	00006628	22/04/2016
2	Mr. Sundeep Sikka	02553654	22/04/2016
3	Ms. Ameeta Chatterjee	03010772	24/03/2015
4	Mr. Ashvin Dhirajlal Parekh	06559989	01/08/2020
5	Mr. Akira Shibata	08107588	25/04/2018
6	Mr. Kazuyuki Saigo	08748422	08/06/2020
7	Mr. Balasubramanyam Sriram	02993708	15/03/2021

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 M Siroya and Company
Company Secretaries

Sd/-
Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
UDIN F005682D000188029

Date: April 22, 2022
Place: Mumbai

Auditors Certificate

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Nippon Life India Asset Management Limited
Peninsula Business Park,
4th Floor, Tower A, Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400 013 India

1. The Corporate Governance Report prepared by Nippon Life India Asset Management Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria") for the year ended March 31, 2022 as required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants

of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Reading and understanding the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2021 to March 31, 2022:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Independent Directors Meeting;
 - (e) Nomination and Remuneration Committee;
 - (f) Stakeholders Relationship Committee;
 - (g) Corporate Social Responsibility Committee; and
 - (h) Risk Management Committee
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 22102102AHVHBI4472

Place of Signature: Mumbai

Date: April 26, 2022

Investor Information

IMPORTANT POINTS

As per Regulation 40 of the Listing Regulations, securities of the listed companies can only be transferred in demat form with effect from April 1, 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact Kfin for assistance in this regard.

Members are requested to note that SEBI, vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgement of physical share transfer requests and has stipulated that such transferred shares shall be issued only in demat mode.

Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Members are advised to dematerialise securities in the Company to facilitate transfer of securities.

Holding securities in dematerialised form is beneficial to the investors in the following manner:

- A safe and convenient way to hold securities;
- Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- Immediate transfer of securities;
- Reduction in transaction cost;
- Reduction in paperwork involved in transfer of securities;
- No odd lot problem, even one share can be traded;
- Availability of nomination facility;
- Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same done by DPs for all securities in demat account;
- Automatic credit into demat account of shares, arising out of bonus / split / consolidation / merger etc.;

- Convenient method of consolidation of folios/accounts;
- Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- Ease of pledging of securities; and
- Ease in monitoring of portfolio.

Norms for furnishing of PAN, KYC, Bank details and Nomination

SEBI vide circular dated 3rd November 2021 has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank Details and Nomination) are not available with us, on or after 1st April 2023, shall be frozen as per the aforesaid SEBI circular.

The investor service requests forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website <https://mf.nipponindiam.com/InvestorServices/Pages/Investor-Information.aspx>

In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest. The Company has sent a letter to the shareholders holding shares in physical form in relation to the aforesaid.

In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

Hold securities in consolidated form

Investors holding shares in multiple folios are requested to consolidate their holdings in single folio. Holding of securities in one folio enables shareholders to monitor the same with ease.

Furnish bank details and get dividend directly credited in bank account

Investors should avail the Electronic Payment Services for payment of dividend as the same reduces risk attached to physical dividend warrants. Some of the advantages of payment through electronic credit services are as under:

- Avoidance of frequent visits to banks for depositing the physical instruments.
- Prompt credit to the bank account of the investor through electronic clearing.
- Fraudulent encashment of warrants is avoided.
- Exposure to delays / loss in postal service avoided.

■ 2 Statutory Report | Investor Information

- As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

Printing of bank account numbers, names and addresses of bank branches on dividend warrants provide protection against fraudulent encashment of dividend warrants. Members are requested to provide, the same to the Company's RTA for incorporation on their dividend warrants.

Register for SMS alert facility

Investor should register with Depository Participants for the SMS alert facility. Both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

Intimate mobile number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Kfin Technologies Ltd., if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

Submit nomination form and avoid transmission hassle

Nomination helps nominees to get the shares transmitted in their favour without any hassles. Investors should get the nomination registered with the Company in case of physical holding and with their Depository Participants in case of shares are held in dematerialized form.

Form may be downloaded from the Company's website, <https://mf.nipponindiaim.com> under the section 'Shareholder Information'. However, if shares are held in dematerialized form, nomination has to be registered with the concerned Depository Participants directly, as per the form prescribed by the Depository Participants.

Deal only with SEBI registered intermediaries

Investors should deal with SEBI registered intermediaries so that in case of deficiency of services, investor may take up the matter with SEBI.

Register e-mail address

Investors should register their e-mail address with the Company/ Depository Participants. This will help them in receiving all communication from the Company electronically at their e-mail address. This also avoids delay in receiving communications from the Company.

Course of action for revalidation of dividend warrant for previous years

Shareholders/Beneficiary owner may write to the Company's RTA, furnishing the particulars of the dividend not received, and quoting the folio

number / DP ID and Client ID particulars (in case of dematerialized shares), as the case may be and shall provide the bank details along with a cancelled cheque bearing the name of the shareholder for updation of bank details and payment of unpaid dividend. The RTA may request the concerned shareholder to execute an indemnity before processing the request, if the amount is more than Rs.50,000/-. As per a circular dated April 20, 2018 issued by SEBI the unencashed dividend will be remitted by electronic transfer only and no duplicate/revalidated dividend warrant/Demand Draft will be issued by the company. The shareholders are advised to register their bank details with the company / RTA (if holding shares in physical form) or their DPs (if holding shares in electronic mode), as the case may be, to claim unencashed dividend from the company.

Facility for a Basic services demat account (BSDA)

SEBI has stated that all the depository participants shall make available a BSDA for the shareholders unless otherwise opted for regular demat account with (a) No Annual Maintenance charges if the value of holding is upto ₹ 50,000 and

Annual Maintenance charges not exceeding ₹ 100 for value of holding from ₹ 50,001 to ₹ 2,00,000. (Refer circular CIR/MRD/ DP/22/2012 dated August 27, 2012 and circular CIR/MRD/ DP/20/2015 dated December 11, 2015).

Annual General Meeting

The 27th Annual General Meeting will be held on Tuesday, July 12, 2022 at 11:00 AM (IST), through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

E-voting

The Members can cast their vote online from 9:00 A.M. on July 8, 2022 to 5:00 P.M. on July 11, 2022. The cut-off date for determining shareholders entitled to vote is July 5, 2022.

Financial year of the company

The financial year of the Company is from April 1 to March 31 each year.

Website

The Company's website <https://mf.nipponindiaim.com> contains a separate dedicated section called 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results, annual reports, dividends declared, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered / facilities extended to our investors.

Dedicated e-mail id for investors

For the convenience of our investors, the Company has designated an e-mail id i.e. Investorrelation@nipponindiaim.com for investors.

Registrar and Transfer Agent (RTA)

Kfin Technologies Limited
(Formerly Known as Kfin Technologies Private Limited)
Selenium Tower – B
Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032
Toll free no. (India) : 1800 309 4001
E-mail : namindiainvestor@kfintech.com/einward.ris@kfintech.com
Website: www.kfintech.com

Dividend Announcements

During the year, the Company had declared and paid an interim dividend of Rs. 3.50 per equity share (35%) amounting to Rs. 217.41 Crore. The Board has also recommended a final dividend of Rs. 7.50 per Equity Share (75%) of Rs. 10/- each for the financial year ended March 31, 2022, for the approval of the Shareholders at the ensuing Annual General meeting. With this the total dividend for the financial year 2021-22 would be approximately Rs. 683.92 Crore, including the interim dividend of Rs. 3.50 per equity share distributed in November 2021. The Final dividend, if approved by Shareholders, will be paid on and from July 19, 2022.

Record date for the purpose of dividend

The Record date for the purpose of determining the entitlement of shareholders to receive the Dividend, if any, for the year ended March 31, 2022 will be July 1, 2022.

Dividend remittance

Final Dividend on Equity Shares as recommended by the Directors for the financial year ended March 31, 2022, when declared at the AGM will be paid on and from July 19, 2022, subject to deduction of tax at source, to all those equity shareholders whose names appear in the Register of Members as on July 1, 2022 and those whose names appear as beneficial owners as on July 1, 2022 are furnished by the NSDL and CDSL for the purpose.

Modes of payment of dividend

The dividend is paid under two modes viz.

- Electronic Payment via
 - NACH (National Automated Clearing House)
 - NEFT (National Electronic Funds Transfer)
 - RTGS (Real Time Gross Settlement)
 - Direct Credit
- Dispatch of physical dividend warrant / Demand Drafts.

Shareholders are requested to avail the Electronic Payment Services for payment of dividend as the same is immensely beneficial and considerably reduces risk attached to physical dividend warrants / Demand Draft.

Unclaimed Dividends

The status of the Unclaimed Dividend as on 31-03-2022 is as follows:

Dividend Year	Records	Amount
2017-18 (Interim Dividend)	1012	298275.00
2017-18 (Final Dividend)	1448	101686.00
2018-19 (1st Interim Dividend)	1287	316791.00
2018-19 (2nd Interim Dividend)	1932	413109.00
2019-20 (Interim Dividend)	1707	418302.00
2019-20 (Final Dividend)	1965	417635.00
2020-21 (Interim Dividend)	2021	631256.00
2020-21 (Final Dividend)	1465	529865.00
2021-22 (Interim Dividend)	1389	380658.50

Share Transfer System

SEBI vide its notification has stated that transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

Shareholding Pattern

Category of shareholders	As on March 31, 2022	
	Number of shares	%
(A) Shareholding of promoter and promoter group		
(i) Indian	0	0
(ii) Foreign	459028095	73.80
Total shareholding of promoter and promoter group	459028095	73.80
(B) Public shareholding		
(i) Institutions	96560357	15.52
(ii) Non-institutions	66429476	10.68
Total public shareholding	162989833	26.20
(C) Shares held by custodians and against which depository receipts have been issued	0	0
(D) ESOS Trust	0	0
Grand total (A)+(B)+(C)+(D)	622017928	100.00

Distribution of shareholding

Number of Shares	No. of Shareholders as on 31.03.2022		Total equity shares as on 31.03.2022	
	Number	%	Number	%
1 to 500	161256	95.29	10688690	1.72
501 to 5,000	7138	4.22	9710863	1.56
5,001 to 1,00,000	742	0.44	11498492	1.85
Above 1,00,000	82	0.05	590119883	94.87
Total	169218	100.00	622017928	100.00

Status of Dematerialisation of Shares

As on March 31, 2022, 100 per cent of the Company's shares are held in Dematerialized form.

Investors' Grievances Attended

Received from	Received during		Redressed during		Pending as on	
	2021-22	2020-21	2021-22	2020-21	31-03-2022	31-03-2021
SEBI	3	2	3	2	Nil	Nil
Stock Exchanges	1	0	1	0	Nil	Nil
NSDL/CDSL	0	0	0	0	Nil	Nil
Direct from investors	0	2	0	2	Nil	Nil
Total	4	4	4	4	Nil	Nil

Analysis of grievances

	2021 – 2022		2020 – 2021	
	Number	%	Number	%
Non-receipt of dividend warrant	0	0.00	3	0
Non-receipt of share certificates	0	0.00	1	0
Others	4	100.00	0	100
Total	4	100.00	4	100

There were no complaints pending as on March 31, 2022.

Notes:

1. The shareholder base was 1,69,218 (consolidated as per PAN) as of March 31, 2022.
2. Investors queries / grievances are normally attended within a period of 3 days from the date of receipt thereof, except in cases involving external agencies or compliance with longer procedural requirements specified by the authorities concerned.

Legal Proceedings

There are no pending cases relating to disputes over title to shares, in which the Company is made a party.

Equity History

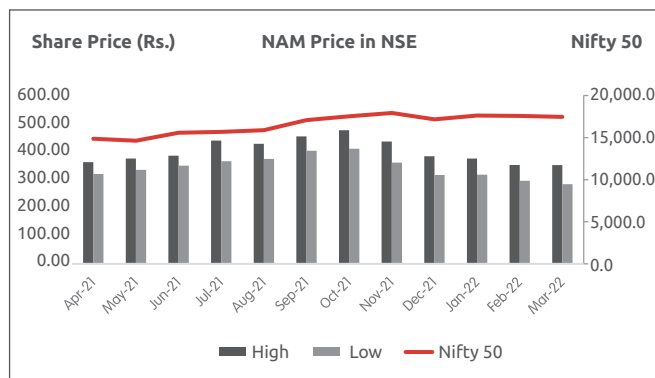
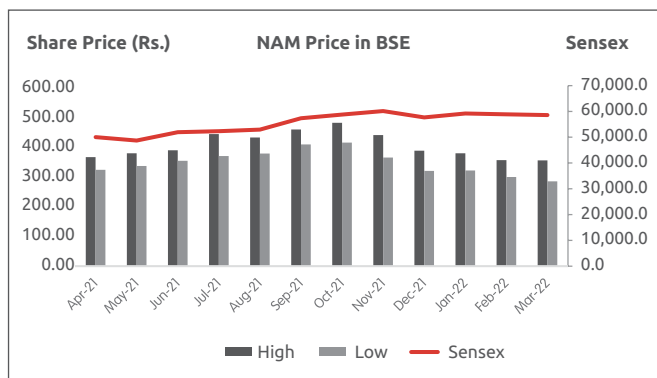
Sr. No.	Date of Allotment	Reason/ Nature of allotment	Face value per Equity Share (₹)	Number of Equity Shares	Cumulative number of Equity Shares
1	March 10, 1995	Subscription to the MoA	10	700	700
2	March 10, 1995	Further issue	10	60,00,000	60,00,700
3	May 9, 1996	Further issue	10	15,00,000	75,00,700
4	September 30, 2007	Rights issue	10	24,99,300	1,00,00,000
5	December 21, 2007	Preferential Allotment	10	2,00,000	1,02,00,000
6	January 8, 2008	Preferential Allotment	10	5,10,000	1,07,10,000
7	March 30, 2011	Preferential Allotment	10	50,000	1,07,60,000
8	May 9, 2012	Allotment pursuant to bonus issuance	10	7,60,000	1,15,20,000
9	August 11, 2017	Allotment pursuant to bonus issuance	10	57,60,00,000	58,75,20,000
10	November 2, 2017	Allotment pursuant to the initial public offering	10	2,44,80,000	61,20,00,000
11	August 20, 2019	Allotment under ESOP	10	37,460	61,20,37,460
12	December 09, 2019	Allotment under ESOP	10	2,066	61,20,39,526
13	February 05, 2020	Allotment under ESOP	10	30,782	61,20,70,308
14	March 05, 2020	Allotment under ESOP	10	41,559	61,21,11,867
15	July 06, 2020	Allotment under ESOP	10	16,500	61,21,28,367
16	August 5, 2020	Allotment under ESOP	10	2,93,508	61,24,21,875
17	September 2, 2020	Allotment under ESOP	10	5,936	61,24,27,811
18	September 9, 2020	Allotment under ESOP	10	43,884	61,24,71,695
19	October 7, 2020	Allotment under ESOP	10	94,420	61,25,66,115
20	November 11, 2020	Allotment under ESOP	10	55,347	61,26,21,462
21	December 2, 2020	Allotment under ESOP	10	86,192	61,27,07,654
22	December 31, 2020	Allotment under ESOP	10	2,43,702	61,29,51,356
23	January 22, 2021	Allotment under ESOP	10	34,518	61,29,85,874

Sr. No.	Date of Allotment	Reason/ Nature of allotment	Face value per Equity Share (₹)	Number of Equity Shares	Cumulative number of Equity Shares
24	February 11, 2021	Allotment under ESOP	10	56,060	61,30,41,934
25	February 26, 2021	Allotment under ESOP	10	20,90,714	61,51,32,648
26	March 12, 2021	Allotment under ESOP	10	1,72,431	61,53,05,079
27	March 26, 2021	Allotment under ESOP	10	11,99,688	61,65,04,767
28	April 16, 2021	Allotment under ESOP	10	25,778	61,65,30,545
29	May 12, 2021	Allotment under ESOP	10	5,32,998	617,063,543
30	June 01, 2021	Allotment under ESOP	10	7,27,897	617,791,440
31	June 17, 2021	Allotment under ESOP	10	6,02,366	618,393,806
32	July 08, 2021	Allotment under ESOP	10	3,11,039	618,704,845
33	July 30, 2021	Allotment under ESOP	10	4,01,884	619,106,729
34	August 19, 2021	Allotment under ESOP	10	10,01,290	620,108,019
35	September 03, 2021	Allotment under ESOP	10	2,44,069	62,03,52,088
36	September 17, 2021	Allotment under ESOP	10	2,41,879	62,05,93,967
37	October 08, 2021	Allotment under ESOP	10	5,83,705	62,11,77,672
38	November 22, 2021	Allotment under ESOP	10	4,89,004	62,16,66,676
39	December 7, 2021	Allotment under ESOP	10	27,398	62,16,94,074
40	December 17, 2021	Allotment under ESOP	10	1,30,234	62,18,24,308
41	January 3, 2022	Allotment under ESOP	10	81,325	62,19,05,633
42	February 17, 2022	Allotment under ESOP	10	1,01,361	62,20,06,994
43	March 3, 2022	Allotment under ESOP	10	10,934	62,20,17,928

Stock Price and Volume

2021-22	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume Nos.	High (₹)	Low (₹)	Volume Nos.
April, 2021	362.30	320.15	7,08,318	362.35	320.10	1,81,08,334
May, 2021	375.00	333.00	8,72,274	375.50	335.05	1,73,80,447
June, 2021	385.15	350.10	13,49,150	385.50	350.10	2,40,22,365
July, 2021	439.00	366.10	25,78,327	439.35	366.00	4,39,27,928
August, 2021	427.60	374.25	19,70,451	427.95	374.10	3,24,38,026
September, 2021	454.15	404.50	20,35,266	454.30	403.10	3,37,27,506
October, 2021	476.50	410.60	17,97,002	476.45	410.40	2,75,43,306
November, 2021	435.70	361.00	4,38,500	436.00	360.80	72,17,318
December, 2021	383.60	316.65	7,74,800	383.55	316.70	2,12,17,570
January, 2022	375.20	318.00	6,62,014	375.55	317.95	1,32,46,511
February, 2022	352.50	296.25	6,04,456	352.50	296.00	1,23,00,644
March, 2022	351.55	282.00	8,53,404	352.10	283.80	1,42,90,786

Performance in comparison to broad-based indices such as BSE sensx, Nifty 50 etc.



Stock exchange listings

The Company's equity shares are actively traded on BSE and NSE, the Indian Stock Exchanges.

Listing on stock exchange

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Website: www.bseindia.com

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Website: www.nseindia.com

Stock Codes

BSE Limited	: 540767
National Stock Exchange of India Limited	: NAM-INDIA
ISIN for equity shares	: INE298J01013

Payment of listing fees

Annual listing fee for the financial year 2022-23 has been paid by the Company to the stock exchanges

Key financial reporting dates for the financial year 2022-23

Unaudited results for the first quarter ended June 30, 2022: On or before August 14, 2022

Unaudited results for the second quarter / half year ended September 30, 2022 : On or before November 14, 2022

Unaudited results for the third quarter ended December 31, 2022: On or before February 14, 2023

Audited results for the financial year 2022-23: On or before May 30, 2023

Depository Services

For guidance on depository services, shareholders may write to the Company's RTA or National Securities Depository Limited, Trade World, A Wing, 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013, website: www.nsdl.co.in or Central Depository Services (India) Limited, Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013 website: www.cdslindia.com.

Communication to Members

The quarterly financial results of the Company were announced within 45 days of the end of the respective quarter. The Company's media releases and details of significant developments are made available on Company's website: <https://mf.nipponindiaim.com>. The financial results were also published in leading newspapers.

Reconciliation of Share Capital Audit

The Securities and Exchange Board of India has directed that all issuer companies shall submit a report reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued / paid-up capital. The said certificate, duly certified by a qualified chartered accountant is submitted to the stock exchanges where the securities of the Company are listed within 30 days of the end of each quarter.

Investors' correspondence may be addressed to the registrar and transfer agent of the company

Shareholders/Investors are requested to forward documents related to dematerialisation requests (through their respective Depository Participant) and other related correspondence directly to KFin Technologies Limited (formerly known as KFin Technologies Private Limited at the below mentioned address for speedy response:

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Unit: Nippon Life India Asset Management Limited

Selenium Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda Hyderabad 500 032 RTA E-mail: namindiainvestor@kfintech.com Email ID: einward.ris@kfintech.com Website: www.kfintech.com

Shareholders / investors may send the above correspondence at the following address:

Queries relating to financial statement of the Company may be addressed to: Chief Financial Officer

Nippon Life India Asset Management Limited
4th Floor, Tower A, Peninsula Business Park,
Ganapatrao Kadam Marg,
Lower Parel (West) Mumbai 400 013
Tel.: +91 22 68087000, Fax: +91 22 68087097
[E-mail: Investorrelation@nipponindiaim.com](mailto:Investorrelation@nipponindiaim.com)

Correspondence on investor services may be addressed to: Company Secretary & Compliance Officer

Nippon Life India Asset Management Limited
4th Floor, Tower A, Peninsula Business Park,
Ganapatrao Kadam Marg,
Lower Parel (West)
Mumbai 400 013
Tel.: +91 22 68087000, Fax: +91 22 68087097
[E-mail: Investorrelation@nipponindiaim.com](mailto:Investorrelation@nipponindiaim.com)

Plant locations

The Company is engaged in the business of financial services and as such has no plant.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any un-hedged material exposure to commodity price risk and foreign exchange risk.

Dividend Policy

1. Introduction

The Board of Directors (the “Board”) of Nippon Life India Asset Management Limited (formerly known as Reliance Nippon Life Asset Management Limited) (the “Company”) at its meeting held on April 25, 2018, has adopted this Dividend Policy (the “Policy”) in accordance with the Companies Act 2013, (the “Act”) and regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

2. Objective

The objective of this policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

3. Circumstances under which the shareholders of the listed entities may or may not expect dividend

The shareholders of the Company may not expect dividend in the below mentioned circumstances:

- i. In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- ii. In the event of higher working capital requirement for business operations or otherwise.
- iii. In the event of inadequacy of cashflow available for distribution.
- iv. In the event of inadequacy or absence of profits
- v. In the event of any regulation or contractual restriction.

The Company may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment.

4. Parameters to be considered while declaring Dividend

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies act, 2013. The board may also declare interim dividends as may be permitted by the Companies Act, 2013. The company has had a consistent dividend policy that balances the objective of appropriately rewarding

shareholders through dividends and to support the future growth.

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Dividend pay-out decision of any company depends upon certain external and internal factors:

4.1 External Factors:

State of Economy: In case of uncertain or recessionary economic and business conditions, Company will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

4.2 Internal Factors:

Apart from the various external factors, the Company will take into account various internal factors while declaring Dividend, which inter alia will include:

- Income/ Profits earned during the year;
- Present & future capital requirements of the existing businesses;
- Brand/ Business Acquisitions;
- Expansion/ Modernization of existing businesses;
- Additional investments in subsidiaries/ associates of the Company;
- Fresh investments into external businesses;
- Any other factor as deemed fit by the Board.

5. Utilization of retained earnings

The company shall endeavor to utilize the retained earnings in the following manner:

- For expansion and growth of business;
- Additional investments in existing business;
- Declaration of dividend;
- Mergers and Acquisitions
- General Corporate Purposes; and
- Any other specific purpose as may be approved by the Board.

6. Parameters that shall be adopted with regard to various classes of shares

The Company has issued only one class of shares viz. Equity shares. Parameters of dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other class of shares.

7. Review

This policy will be reviewed periodically by the Board.

8. Limitation and amendment

In the event of any conflict between the Act or the Listing Regulations and the provisions of the policy, the Listing regulations shall prevail over this policy. Any subsequent amendment/modification in the Listing Regulations, in this regard, shall automatically apply to this policy.

9. Dividend Range

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the

shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Company will endeavor to maintain a Dividend pay-out in the range of 60%-90% of profits after tax (PAT) on standalone financials. However, the Company may amend the pay-out range or declare dividend outside the payout range for a particular financial year, whenever considered appropriate by it, keeping in mind the external and internal factors which are having a bearing on the dividend pay-out.

10. Website

The Policy shall be disclosed on the website of the Company

Environmental, Social & Governance Report

I. About the Report

Nippon Life India Asset Management Limited ('NAM India' or 'Company') presents an overview of its qualitative and quantitative information related to its non-financial attributes for this financial year i.e. from April 1, 2021 to March 31, 2022. This section highlights NAM India's environment, social and governance (ESG) performance during the financial year (FY). This report has been prepared in alignment with Global Reporting Initiative (GRI) Standards: Core option. Further, its sustainability disclosures are aligned with the United Nations Sustainable Development Goals (SDGs) and National Guidelines on Responsible Business Conduct (NGRBC).

Precautionary Principle

Principles such as stakeholder inclusiveness, completeness and materiality have been followed while preparing this report. NAM India is committed to providing its stakeholders with sufficient disclosures on its management approach, thereby highlighting the policies, systems and processes it has implemented to enhance its ESG performance. NAM India adopts a precautionary approach in risk management and business decisions to mitigate any adverse impacts on the environment. The same has been enumerated across various sections of this report.

II. The Emergence of ESG

The world has changed. Consumers and employees now have different expectations, both from the businesses they buy from, and the ones they work for. Business leaders are under pressure from regulators and the market to prove that their organisations are acting responsibly and sustainably. Business performance, which was conventionally linked to pure-play financial metrics, is now also determined by the environmental and social value the organisation creates (or erodes). There is, in fact, ample evidence to show that businesses with promising ESG metrics often provide superior financial returns.

As the ESG space evolves, the demography of investors is rapidly changing with millennials expressing greater concern of the long-term environmental and social impacts of their investments. A record \$649 billion flowed into ESG-focused funds worldwide in 2021 up from the \$542 billion and \$285 billion in 2020 and 2019, respectively. Latest Refinitiv Lipper data indicates that ESG funds now account for 10% of worldwide fund assets. Stocks of companies rated highly for their sustainability efforts also booked gains in 2021¹.

Investors have begun to focus on ESG metrics

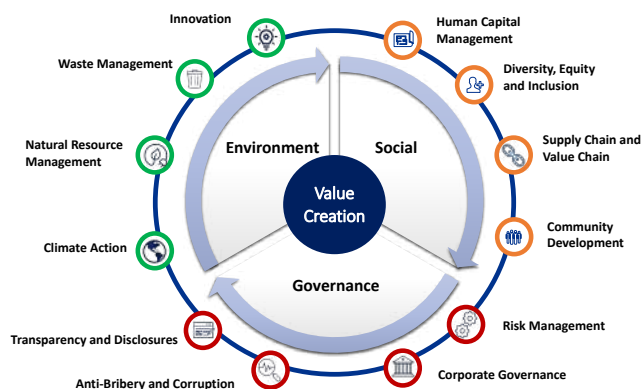
¹Source: 2021, Reuters, 'Analysis: How 2021 became the year of ESG investing'

when making investment decisions. As the investor outlook is shifting from short-term gains to long-term value creation, it is the fiduciary duty of financial institutions to allocate capital to responsible businesses that meet societal expectations. Banks, asset managers, investment firms and other financial institutions are expected to incorporate ESG factors in their lending and investment decisions.

To stay viable and valuable in the long-run, organisations across sectors must demonstrate greater commitment to sustainable value creation for planet, people and prosperity. The first steps to enable the above is to strengthen governance and enhance transparency in business. To improve accountability, regulators across the world (including India) have introduced new rules that require businesses to disclose information on ESG.

While transparency can improve stakeholder perceptions, each business must implement steps to improve their ESG performance. ESG is multidisciplinary in nature and needs to be addressed holistically. A 'one size fits all' approach cannot be adopted. Organisations need to identify ESG factors that are critical to their unique business context and then institute customised systems and processes that will prove best in ensuring long-term value creation.

ESG - Environmental, Social, Governance factors



III. NAM India's Approach to ESG

NAM India aims to create and nurture a world-class, performance-driven, and socially responsible ecosystem. The Company believes that integration of Environmental (E), Social (S) and Governance (G) aspects into its strategy, operations, and risk management will help it outpace the dynamic markets and build long term relationships with its stakeholders. The Company is cognizant of its fiduciary duty as an asset manager and aims to integrate ESG factors in its investment processes.

NAM India has resolved to consistently enhance its responsible investment strategies and build a resilient portfolio that will not only provide superior returns to its investors but also have a positive environmental and social impact.

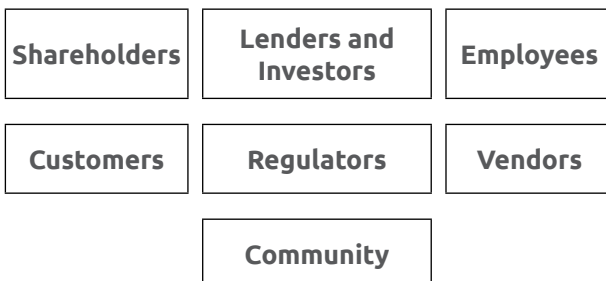
NAM India made large strides in its ESG journey in FY22. It announced its ESG vision and mission and became a signatory to the United Nations Principles for Responsible Investment (UN PRI) during the year. NAM India has instituted a comprehensive board-approved ESG framework that will guide the policies, processes, and responsible investment practices at NAM India. The framework structures the Company’s ESG integration efforts into three main areas, namely, *Stakeholder Relationships, Operational Commitments and Responsible Investment.*



Stakeholder Engagement and Materiality Analysis

NAM India demonstrates steadfast commitment to its stakeholders in all its relationships. The Company engages with its stakeholders regularly to understand their needs and expectations as well as gain valuable feedback. The inputs received from the stakeholders are always kept at the forefront while taking decisions with respect to risk management, strategy formulation, business planning or execution.

The Company has adopted a structured approach for conducting these engagements and uses multiple formal and informal channels to meet the unique needs of each stakeholder group. NAM India has identified the following as key stakeholders for the business:



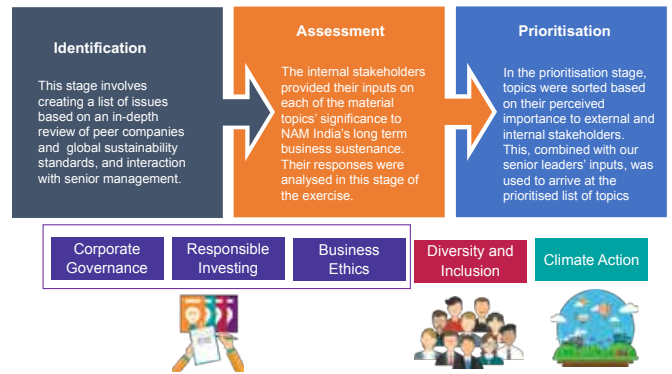
Materiality Assessment

NAM India has applied the principle of materiality to prioritise topics for disclosure and ESG strategy formulation. The materiality assessment process in FY22 involved engagement with its internal stakeholders, who also communicated expectations

of external stakeholders based on their insights from periodic interactions with the latter. The Company identified a list of material topics using guidance from the Global Reporting Initiative, other international sustainability standards and frameworks as well as a review of industry peers. Multiple interactions were conducted with the management and other internal stakeholders to obtain their views on the list of identified material topics. A combination of internal and external factors was considered to assess whether a topic is material. The topics were then prioritized based on their impact on business outcomes and relative importance to key stakeholders and value chain.

The Company has prioritised five topics as material for this year’s report as depicted below

NAM India’ materiality assessment process and prioritised material topics



Responsible Investment

The Company considers ‘Responsible Investment’ to be an integral part of its fiduciary duties. NAM India conducted in depth research and various consultations with industry players to develop its responsible investment approach across its asset classes. The Company instituted separate responsible investment policies for its equity and fixed income asset classes. These policies shall guide the development and implementation of asset class specific responsible investment approaches and ensure seamless integration with the investment process. NAM India has chosen to adopt a combination of responsible investment approaches namely: *screening, ESG integration and active ownership.*

NAM India is in the process of putting together an exclusionary criterion for its equity assets based on its assessment of governance parameters. It is developing a proprietary risk rating mechanism by considering environmental, social and governance topics. These material topics will be given specific weights basis the sector of the portfolio company.

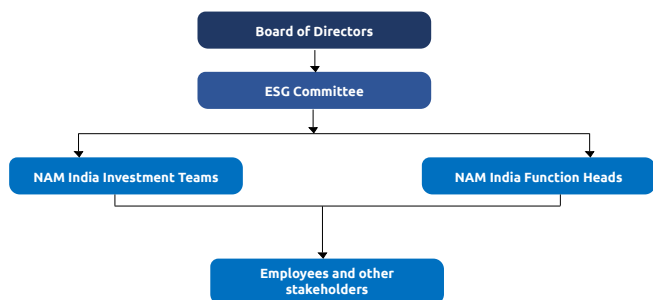
NAM India has instituted a Stewardship Policy and Proxy Voting Policy for its equity portfolio that guides its engagements with management bodies of companies within the listed Indian equity space on ESG aspects. These practices help in effectively influencing portfolio companies to improve both their financial and ESG performance.

In the case of its fixed income portfolio, NAM India shall exclude issuers whose products are detrimental to society and incompatible with the Company’s core values. The Company conducts a bottom-up fundamental analysis to assess the performance of its fixed income assets portfolio. NAM India conducts extensive research on the issuer and intends to analyse ESG factors that can impact their credit worthiness. The Company believes that a productive engagement with issuers can drive better economic, ethical, environmental, and social performance. The objective of engagement activities shall be to obtain information on the issuer’s ESG commitments and practices on topics that are material for their sector/ industry.

Governance

In FY22, NAM India established an ESG committee that will be responsible for the implementation of the ESG policy and communication of the non-financial results to the Board. The investment teams will ensure seamless implementation of responsible investment processes and report the results to the ESG committee.

ESG Governance Structure at NAM India



IV. Fostering Ethics and Governance

NAM India has adopted the highest ethical standards and follows the industry’s best practices to conduct its business and operations. The Company’s code of ethics rest on the nine core values of *honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship and caring*. A strong commitment to these values has proved to be a key driver for NAM India’s success.

Code of Conduct at NAM India

The Company has instituted a Code of Conduct for its employees as well as for its Board and Senior Management. This Code lays down the acceptable conduct that is to be followed by its employees

across the organisation and Board members while performing their responsibilities. NAM India’s Employee Handbook (also known as the Employee Code of Conduct) contains clauses, definitions and measures for Corruption and bribery, Discrimination, Confidentiality of information, Conflicts of interest, Anti-trust/Anti-competitive practices, Insider trading (these are separate policies), Health, Safety and Environment, Whistle Blowing and Prevention, Prohibition and Redressal of Sexual Harassment at Workplace (POSH). A separate anti-money laundering policy is in place as well. The Company has a formal compliance management system and a Board approved Compliance manual to ensure its practices are in accordance with the laws and regulations of the land.

The Company has a zero-tolerance policy for non-complaint behaviour. Regular refresher trainings and awareness programmes are conducted for its employees on the Code of Conduct including anti-corruption, anti-money laundering and compliance policies and systems. This also forms a part of the induction process carried out for new joiners/hires.

Over 470 total man hours were dedicated by permanent employees towards trainings related to the Code of Conduct.

The Company complies with the requirements as stated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), as applicable, regarding Corporate Governance.

NAM India has instituted an ESG Taskforce for holistic ESG deployment across the organisation. They are also responsible for monitoring and communicating progress on relevant ESG performance parameters to its internal and external stakeholders.

Suppliers and NAM India’s Procurement Practices

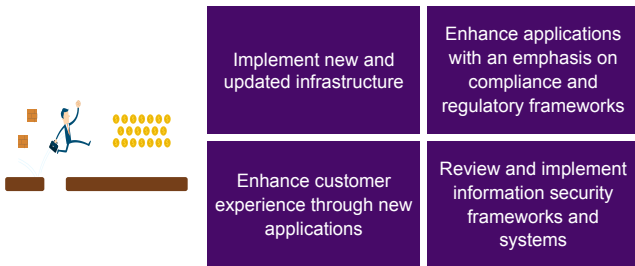
A Board-approved Suppliers Code of Conduct is in place. This code focuses on four pillars of Human Rights, Diversity and Inclusion, Environmental Stewardship and Ethics and Anti-Corruption. The policy is prepared in accordance with the national and international standards and practices, outlining protocols that its Suppliers are expected to comply with. This ensures that the Company’s Suppliers are aligned to NAM India’s vision and contribute to nurturing a sustainable business environment.

Information Technology and Data Privacy

Information Technology (IT) plays a vital role in enhancing NAM India’s data management, decision making and customer relationship. The

Company has identified four focus areas in FY22 to effectively improve its systems and keep up with the evolving technology landscape.

IT Focus Areas



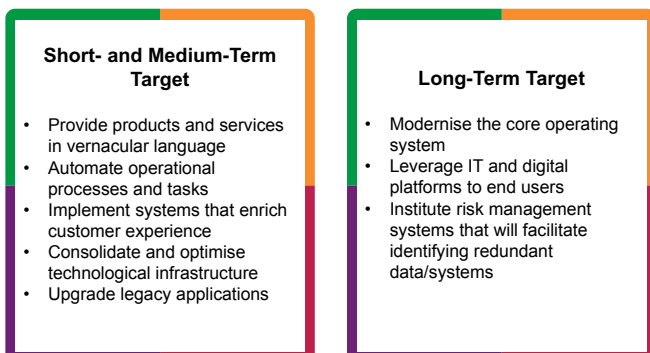
Select initiatives that NAM India has implemented to improve its IT applications are:

- ❖ A new Investor Application for retail investors
- ❖ Improved existing applications for faster and superior customer experience
- ❖ Analytical tools for business stakeholders
- ❖ Risk mitigation and regulatory compliance tool for recording regulated user conversations
- ❖ Financing better enterprise resource planning (ERP) mechanisms
- ❖ Executing Multi Factor authentication and Encryption algorithms
- ❖ Re-implementing security information and event management (SIEM) Solutions for analysing the root cause of incidents while migrating from Reliance Capital systems

A mechanism has been instituted for efficiently tracking and monitoring performance of the aforementioned initiatives. Key parameters like tracking time, response time and issue resolution turnaround time are monitored by the central IT team.

Additionally, NAM India has identified the following short, medium and long-term targets to capitalise its opportunities.

Information Technology Goals and Targets

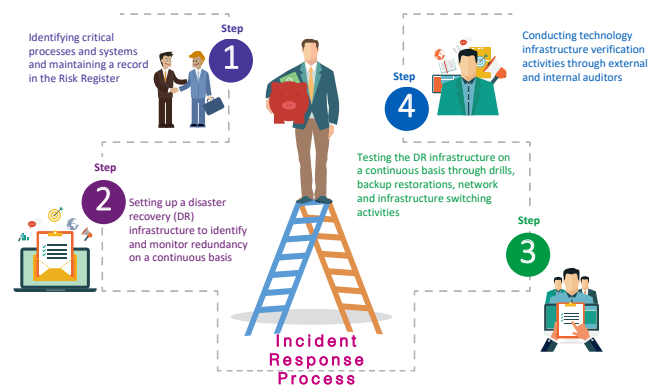


The Company has established a comprehensive training programme for its employees to build awareness on cyber risk. This is a component of the overall induction process for all the new hires and is also conducted periodically for all employees. It informs participants about threats and methods to identify and protect systems and data from these threats. IT awareness related emails are circulated to all employees and risk related information is provided to consultants on a periodic basis.

Incidents and Complaints

NAM India has instituted a comprehensive incident response procedure for all its critical assets.

Incident Response Process



An escalation process has been established within the IT security team to address concerns raised by its employees and customers. Employees including new hires are provided with this information during induction programmes or through awareness programmes conducted. Based on the severity of the incident raised, the IT security team determines the corrective action plan. Customers on the other hand, can raise their queries/issues through the grievance redressal page on NAM India’s website.

NAM India has set up a Security Operation Centre (SOC) which monitors all activity on its IT network and infrastructure on a 24x7 basis. Suspicious activity is reviewed by the information security team and appropriate actions initiated. The Company has not yet come across any security incidents resulting in violation of NAM India’s security policy.

NAM India has acquired a cybersecurity insurance cover which is renewed annually.

Data Security and Privacy

Sound data privacy systems instill customer confidence in the organisation. With the growing dependence on digital platforms to conduct business activities, the need for companies to implement data privacy safeguards has become essential. Data privacy systems provide to be a

defense mechanism from internal and external threats ensuring the safety of customer’s personal data.

NAM India has instituted a comprehensive publicly available [privacy policy](#) that lists down systems and processes in place to handle customer sensitive data including information on retention of specific data. A grievance redressal officer has been specifically appointed to address concerns raised related to personal and sensitive information. Additionally, it has upgraded its Risk management framework, in accordance with regulatory guidelines, to review its security detail at the management level.

The Technology Committee is responsible for mitigating and disclosing issues/concerns related to NAM India’s privacy and data security. This Committee comprises of the Chief Executive Officer (CEO), Chief Technology Officer (CTO), Chief Risk Officer (CRO), Chief Information Security Officer (CISO) and Technology team members. The CTO and CISO conduct meetings to address critical risk and technology related issues. The minutes of such meetings are recorded and submitted to the Board for its inputs. An automated mechanism has been deployed to effectively implement risk mitigation measures. These systems include the data loss prevention (DLP) Solution and master data management (MDM) technology that manages the Company’s data security and cyber security systems. **During FY22, no complaints were received for breach of customer privacy.**

V. Enhancing Customer Experience

Sound customer relationships are crucial to NAM India’s success. Maintaining a valuable and long-lasting relationship with them is imperative to business growth and sustenance. The Company undertakes various initiatives to provide a superlative customer experience by leveraging its technology/innovation and digitalisation capabilities. NAM India believes its customers are technologically savvy and prioritises its investments in digital solutions with an aim to make their journey **friendly, futuristic and frictionless.**

The Company collaborates with various fintech platforms to provide its customers with an array of digital services. During FY22, NAM India has experienced a growth of 60% for its new business transactions across the industry. It has adopted a two-fold philosophy for partnering with fintech companies. This includes:

Consolidate and create opportunities to engage with its existing key FinTech platforms and their clients, in terms of knowledge capsules keeping them engaged while also enhancing its relationship value

Explore, connect, and engage with new and emerging FinTechs, bringing them into the Mutual Fund business and offer products to their existing clients, leading to new customer acquisition

Technology and Innovation

NAM India has introduced cutting edge technology and has upgraded its digital infrastructure that enables in serving the diverse needs of its spectrum of clients. The Company has launched products and services that are completely paperless, zero-touch and virtual. NAM India has instituted a strategy that is focused on three pillars which has kept it in the forefront of its competition, namely:

1. User Growth

NAM India has introduced a well-designed digital acquisition and engagement framework that ensures virtual connectivity with its clients through performance-oriented campaigns. This platform guaranteed NAM India’s association with its potential as well as existing clients at various touchpoints.

For newly acquired clients, NAM India’s initiative towards completely paperless and self-served, digital onboarding modules, aid in seamless completion of otherwise arduous joining formalities.

2. Digital Distribution

The distribution ecosystem in India can be broadly categorised as: traditional distributors, new age distribution partners and fintech platforms. NAM India has initiated a plethora of digital business solutions that cater to the needs of its distributors.

The Business Easy 2.0 was launched for the **traditional/conventional distributors** that acts as a complete business enablement and customer relationship management tool. It comprises of a mobile application, a website and is considered to work as a digital branch wherein funds can be managed virtually. This has not only led to the digital empowerment of these distributors but has also supported them in expanding their business.

NAM India has adopted an innovative approach for its **new age distribution partners and fintech platforms** by offering a robust application programming interface (API) technology. This aids in facilitating end-to-end digital processes throughout the stages of an investor’s lifecycle. Additionally, NAM India engages with its partners and customers through exclusive virtual knowledge sharing sessions that advocate investments through best practices. These initiatives have not only reduced distribution partners attrition but also helped NAM India grow its business.

3. Digital Products and Platforms

The Company has implemented a suite of diverse, intelligent and leading digital products and platforms. Some of NAM India’s digital products

and platforms include different applications from websites to mobile-sites, from chatbots to dedicated WhatsApp transaction and servicing modules, from voice based 'conversational' interfaces to one-click transaction initiation and completion modules and much more. The Company is now geared to serve all kinds of consumers such as individuals with varying degree of digital evolution, financial advisors, brokers, intermediaries, distributors or digital partners.

To mark the onset of the digital acceleration at NAM India, it has launched its New Investor Android Application. This application is considered as the next-level investment application that does it all. It supports its clients through a simplified and intuitive interface that is coupled with new age features and capabilities. This provides best in class and enhanced digital experience to its clients. This application is a one-stop-shop and has all that a client needs to manage its investments as it delivers best-in-class e-commerce practices: *quick product discovery, aided decision making, and personalised experiences based on intelligent analytics.*



'Re-build' application was launched that was based on contemporary design and new features. Some of the highlights of the *Re-Build* are mentioned below:

Application Features



Financial Access at the Regional Level through Digitalisation

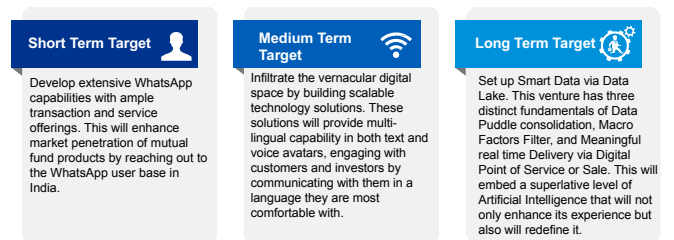
Digital solutions were developed by NAM India to empower its distributors and sales and branch office employees. The Company wishes to imbibe a digital mindset amongst them and enhance their technical skills. This was achieved by conducting numerous trainings, refresher sessions, live demos, walk-throughs, byte sized content, infographics, presentations and videos, which were circulated via email, WhatsApp and other digital platforms. Additionally, new features and interventions were introduced that helped distributors enhance their business.

The Business Easy 2.0 was a gamechanger for NAM India as it not only supported its distributors but also its clients offering them a plethora of easy access to new solutions, investment options and analytical insights. This encouraged them to transition to the new business environment with ease.

NAM India's short, medium and long-term targets in its Digital Journey

The digital evolution has stimulated NAM to launch digitally driven solutions that serves its consumers irrespective of their geographical location or their strata in society. The targets identified by the Company are stated below:

NAM India's Digitalisation Goals and Targets



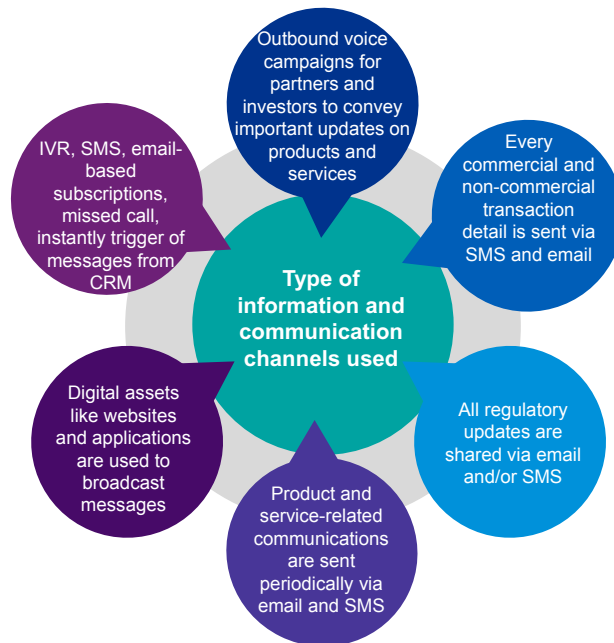
Customer Relationship

In order to maintain an effective and enduring relationship with its customers, NAM India undertakes various initiatives, sets internal targets and develops systems and processes. The Company has established a dedicated customer service team that is responsible for handling customer queries, requests, complaints and escalations. The contact details along with the turnaround time is available on its website. NAM India’s branches are also another point of contact other than the contact centre and website. In addition, an annual report is published with details of the number of client/ investor complaints received during the financial year. A bi-monthly dashboard review chaired by the Co-Chief Business Officers is conducted covering all client/ investor/partner facing customer service metrics.

NAM India conducts a consolidated customer satisfaction (CSAT) survey for its digital transactions and Query, Request and Grievances (QRG). During FY22, it received a score of 96%. The Company has taken a decision to undertake the Net Promoter Score (NPS) survey from next year to receive real time results. Additionally, quantitative targets are set internally and monitored to improve its customer satisfaction practices.

The Company has leveraged its platforms to effectively communicate/inform customers on its products and services. Some of them include:

Customer Engagement Channels



Key Initiatives undertaken to enhance Customer Satisfaction

Strategic placement of self-help options, promotions and awareness of digital assets, deploying balance and account statement subscriptions on IVR, missed call facility etc. Intelligent IVR has enhanced its virtual services by 28%	Equity-linked savings scheme (ELSS) statements were proactively sent to clients for investment proofs for ~4.5 lakh folios	Server infrastructure and fixed codes optimised for smooth customer journey and improved response time across digital assets benefitting ~12,000 daily transactions	Capital gain statement were available in different formats on the website, an important need that was voiced by customers
Information on digital assets were simplified towards self-servicing of requests to reduce back-end rejections	25% reduction in Turn Around Time (TAT) for resolving digital issues	Proactive initiatives were undertaken to convert unclaimed amounts of clients by reaching out to them. A total of ~25 crore was converted in FY22	A Penny Drop feature was exempted for NSE Offline (NS77) and BSE Offline (BS77) transactions due to which bank verification failed folios were receiving redemption proceeds by physical warrant. The Penny drop feature is now extended to all channels
	PAN Validation for Demat folios implemented to avoid incorrect levy of Tax Deducted at Source (TDS)	Rejection templates across New Computerised Transit Systems (NCTS) were revamped for 632 reasons across 74 types of NCTS. All the rejection reasons were reviewed and were revised with new templates	

Incidents and Customer Complaints

NAM India has not experienced any incidents of penalty/ warning letter for non-compliance with SEBI Mutual Funds regulations concerning product and service information and labeling or marketing communications, including advertising, promotion, and sponsorship for FY22.

The total number of customer complaints received for FY21 and FY22 are mentioned below:

Type of Complaint	FY22		FY21	
	Total number of complaints received during the year	Total number of cases pending for resolution at the end of the year*	Total number of complaints received during the year	Total number of cases pending for resolution at the end of the year*
Others	1016	7	1025	5

*cases received at the end of the financial year for the respective time periods

There were no material complaints received concerning breaches of customer privacy and losses of customer data during the financial year either from outside parties and substantiated by NAM India or from regulatory bodies. Nil complaints have been received against identified leaks, thefts, or losses of customer data for FY22.

The Company has not experienced any instances of data breaches along with its impact and the percentage of data breaches involving personally identifiable information of customers is zero for FY22. Also, its complaints to folio ratio is 0.005% in FY22.

Stakeholder complaints

In the ordinary course of business, customers and investors may have disputes with the Company regarding deficiency in services or product performance, which could result in a civil suit, or a consumer complaint. Most of NAM India’s businesses are linked to the capital markets and thus, prone to short-term fluctuations. The Company, regularly, engages with its stakeholders to appropriately address their concerns; however, in some cases, legal resolutions may also be pursued. Customers and investors may have disputes with the Company regarding deficiency in services or product performance, which could result in a civil suit, or a consumer complaint. In FY22, all four of the shareholder complaints received were resolved by NAM India.

VI. Empowering Employees

With a 900+ strong workforce as on March 31, 2022, NAM India believes that its strong people culture is critical to its long-term sustenance. The Company is committed to creating a safe working environment for all its employees and has implemented several policies in this regard. The Company ensures all colleagues, at every level, are part of the organization’s growth strategy and are empowered to take sound business decisions.

Talent Management

The key pillars of NAM India’s core philosophy are talent care and development, empowerment and decision making, innovation, agility and digital transformation.

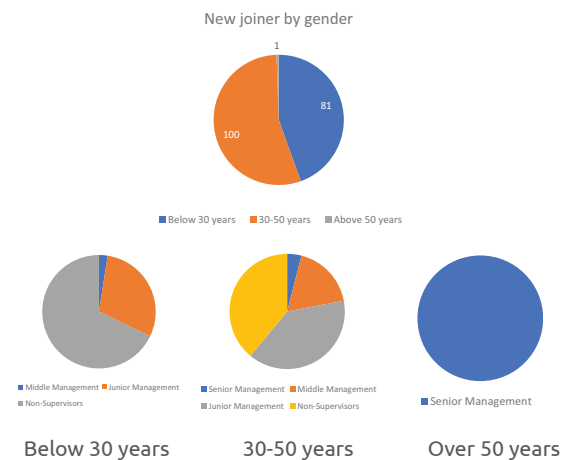
NAM India has been recognized as AON Best Employer for 4 years since 2016 (including 2021) and has also featured in ‘India’s Best Companies to Work For’ by Great Place to Work, in 2018. The Company has also been awarded with jury award for “Commitment to Talent”, 2020 Kincentric Best Employers Awards.

The Company achieved an employee engagement score of 89% in FY22 portraying its continual efforts towards fostering employee engagement and satisfaction. NAM India has seen a constant improvement in this score since 2016.

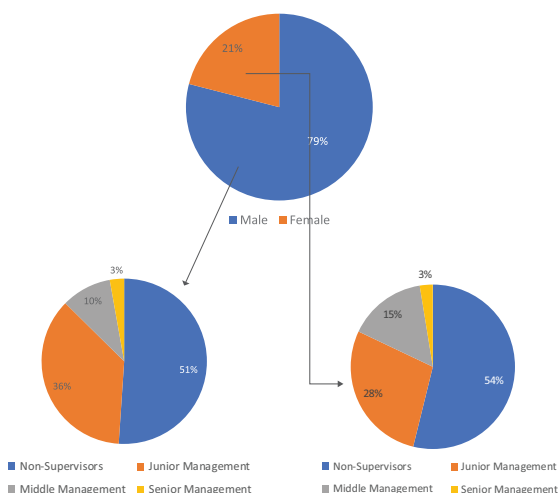
The Company has a strong employee retention rate. The average employee tenure is more than six years despite NAM India being a fairly young organisation.

New Joiners and Employee Turnover

New Joiners by Age



New Joiners by Gender



Workforce Turnover rate by Gender

	FY 22	FY 21	FY 20
Male	21%	14%	23%
Female	23%	9%	25%

Diversity and Inclusion

NAM India encourages diversity in the workplace and is committed to creating a great workplace that is inclusive and “equal-for-all” as employees form the core of every business decision.

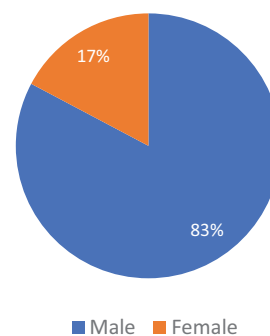
The Company’s salary ratio for women to men is 1:1.18 at senior and middle management and is 1:0.92 for junior and non-supervisory level employees.

NAM India has put in place measures to ensure there is no discrimination across its operations based on any criteria. No cases of discrimination were recorded in FY22. 12.5% of NAM India’s Board of Directors comprise of women. NAM India also has one employee with disability and has ensured all its offices and premises are accessible to differently abled employees, workers and visitors.

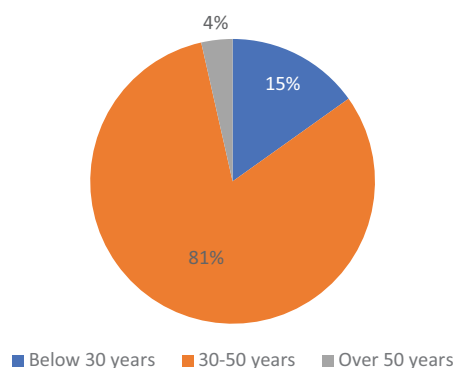
NAM India has a Human Rights policy in place which acts as an operative for all its offices and premises and ensures no violations of human rights. The Company has an internal grievance redressal mechanism available for its employees to report any Human Rights violations. In addition, to ensure the well-being of all its employees, the Company conducts trainings on Prevention of Sexual Harassment (POSH) as a part of its induction for employees and has a POSH policy, that forms a part of the Employee Handbook.

NAM India takes multiple initiatives to improve gender diversity in the organisation across all employee levels.

Workforce breakdown by Gender

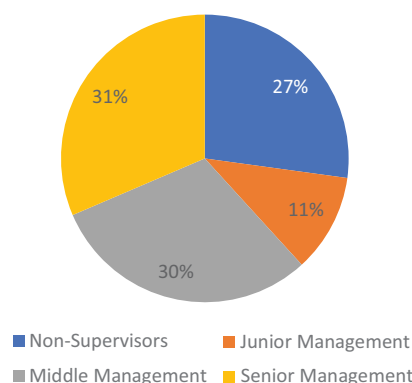


Workforce breakdown by Age



	Below 30 years	30-50 years	Above 50 years
Senior Management	-	9%	2%
Middle Management	0.20%	29%	0.60%
Junior Management	4%	27%	1%
Non-Supervisors	11%	16%	0.20%

Workforce breakdown by Category



Training and Development

NAM India has developed an internal competency framework for its employees and undertakes several technical and behavioural trainings. These

trainings are conducted both through online and offline platforms and are aimed at developing the employee in current and future positions, according to aptitude and identified potential. The Company runs various training and development programmes that cater to the talent at various levels of the organisation.

The Company undertakes programmes like CEO’s club, which is an organisational initiative to recognise and groom emerging leaders and LEAP, which is designed to nurture and groom young talent to prepare them for mid- management leadership roles. These programmes have ensured that over 70% of NAM India’s leaders are home grown.

Additionally, the Company also has tie-ups with top national and international institutions (like IIM Bangalore, MIT and Harvard Business School among others) for programmes that help enhance the managerial skills of its employees. It also runs a mentorship programme for grooming the young talent called Aarohan.

NAM India understands that human capital development and succession is very critical for the long-term sustenance of the business as it ensures business continuity, preserves corporate culture, enhances knowledge capital and fuels the ambitions of the Company’s talent leading to better retention. It is ensured that internal talent is groomed for the next level responsibilities. NAM India conducts various succession planning and management trainings for its employees. The Company has witnessed positive outcomes from these initiatives.

During FY22, 100% of eligible employees underwent a performance and career development review.

Employee Initiatives

The Company, in line with its vision to go digital has moved the HR processes to digital platforms, increasing efficiency, effectiveness and improved experience. NAM India has invested in HR digitisation with HR 360. It provides digitized HR interactions, anytime and on-demand learning- on the go, seamless and 100% digital recruitment and onboarding and host of other HR interactions.

NAM India was amongst the first companies in the industry to implement a flexi-work policy for its employees

NAM India has a five-day working model for all its office. It is amongst the first companies in the industry to implement the flexi work policy for all its employees. The aim of the policy is to enhance its employee’s experience. It has adopted a framework which is both feasible to the organisation and desirable to its employees. This

framework offers its employees with four types of arrangements namely remote working for a fixed percentage of the week, remote working (100% of working time) with reduced pay structure, work as an advisor or consultant with reduced work week and revised pay structure, and sabbatical leave without pay for self-education, children and family care and personal development or exigencies. Further, it has established a family support plan that offers bereavement leave to its employees in case of a demise of an immediate family member.

Employee health and Well-being

Employee health and well-being is of utmost importance to the Company. Several steps have been taken to create a safe working environment for the employees. NAM India continues to work towards identifying and mitigating work related hazards and risks, if any. The Company conducts internal and external process audits annually and the infrastructure and administration department continues to work towards the mitigating any work-related hazards. There was no medical reason induced absenteeism at NAM India and there were no cases of workplace health and safety hazards, during the year.

The Company provides 100% of its employees with a health insurance across all levels. Moreover, all employees are eligible to a provident fund (PF), parental benefits and gratuity. All the employees of NAM India are covered by a life insurance policy and are provided benefits such as a crèche allowance, family support- in case of demise and childcare benefits among others. The Company also has a policy in place for the parents of children with special needs. NAM India provides all its female employees with benefits such as maternity leaves and creche allowances to take care of their offsprings. Maternity leaves can be availed by female employees in the event of both childbirth or adoption of a child (whose age is less than three months). To support new mothers returning from their maternity leaves creche allowances are provided to cope with financial difficulties. Additionally, paternity leaves are also provided to its male employees.

During the year, 100% of the employees who availed parental leave returned to work (36 employees), 11 of employees were female and the remaining were male. Further, the retention rate² for NAM India’s female employees was 82% and that for its male employees was 84%, in FY22.

NAM India provides access to healthcare services to all its employees through first aid, medical insurance extended to immediate family members, access to 24*7 app based medical and consultation

² Retention rate determines employees who returned to work after parental leave ended and were still employed 12 months later

services to employees and their families and the availability of trained mental health counselors among others. The Company has also tied-up with Ekinicare and Practo to further increase its healthcare offerings for the employees.

VII. Amplifying Social Impact

Investor Education and Financial Empowerment

In times where misinformation is thriving, NAM India is committed to providing adequate, clear, and transparent information to each of its stakeholders. Each year, the Company goes above and beyond its fiduciary responsibilities to conduct investor education initiatives for individuals and communities spread across the country. In FY22 alone, NAM India conducted a total of 73 Investors Awareness Programs (IAP) were held, covering approximately 3,081 investors.

These IAPs help build a culture of savings and investment amongst individuals and help them make informed investment decisions. NAM India’s programmes are designed to enable attendees get a reasonable understanding of mutual funds, develop the ability to evaluate various investment options, avoid being a victim to scams and understand their rights.

NAM India moved its IAPs to a 100% digital mode in FY21. The Company launched a mobile app - MFX exclusively for Investor education. The app provides all relevant information in a simple audio video format related to mutual funds which can be accessed any time by the prospective investor. In addition, the website hosts articles, video tutorials and reading material to educate individuals on good investment practices, provide simple tips and other basic information which are helpful to plan investments better.

Products and Services offered to promote Financial Inclusion

NAM India is a strong advocate for financial empowerment and has launched a plethora of products and services that meets the needs of the community. Some of these include face to face KYCs, zero balance folios, acceptance of mutual fund investments with as little as INR 100 and much more.

NAM India conducts several relevant investor education and financial empowerment programs for its partners, investors and employees. Further, the Company ensures that all the eligible and identified employees are appropriately certified through National Institute of Securities Markets, which is Association of Mutual Funds in India (AMFI) organised and mandated by SEBI.

Select Investor literacy initiatives

Wealth Times	Quick reads on topics related to MF’s & investments
The Mutual Fund Hot Seat	Education series on various aspects of Mutual Funds
Wealthy Wednesdays	Talking about Goals paired with right investment plan & strategy to achieve financial success
Investment Quotient	Factoids on Mutual Fund
NAM India Insights	Shows the most relevant macro-economic numbers, trends and insights
Wealth sets you free	Campaign to showcase how MF Investments help achieve dreams
Extraordinaari	A series saluting the Financially aware women

List of Memberships and Associations





NAM India is an active member of industry associations. It collaborates with peers to collectively identify risks and opportunities, contribute to research and policy development.

1. Association of Mutual Fund Industry (AMFI)
2. Confederation of Indian Industry (CII)
3. Bombay Chamber of Commerce & Industry

Corporate Social Responsibility

NAM India has resolved to invest in making a meaningful and measurable impact on the lives of the communities where it operates. The Company contributes to the economic and social wellbeing of local communities through its corporate social responsibility (CSR) and associated community development activities. The Company CSR policy sets out the guiding framework for its CSR activities for NAM India and its subsidiaries. The key focus areas of the Company’s CSR initiatives are Healthcare, Education, Skill Development, Environment Sustainability, Rural Development, Sports and support towards Armed forces. The Company partners with respected and acclaimed NGOs for implementation of its CSR initiatives.

NAM India contributed INR 13 crore towards CSR initiatives during FY22. The Company’s employees also rallied to support the causes around the various CSR initiatives. To achieve the depth of impact it aspires to, NAM India focused its investments on regions where impact can be the greatest and on sectors that are crucial to economic, environmental, and social progress.

Focus Area	NGO Partners	Expected Number of Beneficiaries from current projects	SDG Linkage
Healthcare	<ul style="list-style-type: none"> Vision Foundation of India Tata Memorial Centre-Advanced Centre for Treatment, Research and Education in Cancer (TMC-ACTREC) 	16,000 patients	 SDG Linkage
Education	<ul style="list-style-type: none"> The Energy and Resources Institute (TERI) 	15,000 students	
Rural development	<ul style="list-style-type: none"> EdelGive Foundation Tata Institute of Social Sciences 	23,000 households	 
Sports	<ul style="list-style-type: none"> Olympic Gold Quest 	250 athletes	

Safeguarding Lives and Livelihoods

Flagship CSR programs during FY22

Healthcare

NAM India partnered with *Tata Memorial Centre-Advanced Centre for Treatment, Research and Education in Cancer (TMC-ACTREC)* to provide support to patients seeking radiotherapy stimulation and planning with the use of a CT-Scan System and Simulator. The diagnostic and research project will assist the Radiology department in planning diagnostic imaging and image-guided therapies for about 2,000 patients. About 9,000 patients will receive CT-based diagnostics in outpatient and critical care settings and will assist patients coming for treatment from Pan India.

The Company partnered with the Vision Foundation of India (VFI) to provide help for cataract surgery to the underprivileged sections of society under VFI’s Rashtriya Netra Yagna programme. NAM India’s contribution enabled 5,000 cataract operations across Bihar, Delhi, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Rajasthan and Uttar Pradesh, in FY22.

Support for Armed Forces

In FY’22 the Company signed a collaboration with The Army Wives Welfare Association (AWWA) to improve the existing infrastructure of ‘Matru Chaya.’ Under this project, serving and retired army personnel with special needs and their family members have been provided residential accommodation along with modified washrooms to serve them better. The project contributed towards the development and furnishing of double occupancy and single occupancy rooms, modification of washrooms and the re-location of existing vocational training centre at Golconda in Telangana.

Sports

The ‘Olympic Gold Quest’ (OGQ) initiative is supported by NAM India through a collaboration with the Foundation for the Promotion of Sports and Games. OGQ’s goal is to level the playing field for Indian athletes so that they can compete at the highest level possible. The project will extend support towards about 250 plus athletes in the multiple ways like sports equipment, medical tests and fitness.

Rural Development

NAM India partnered with Tata Institute of Social Sciences to support Pragati, an Integrated Rural Health and Development Initiative. The project will work towards health promotion, malnutrition and poverty eradication through sustainable livelihoods and aims to reach about 2000+ tribal community members. It will work on farm based and non-farm based initiatives for livelihood activities, establish micro enterprises and skill building support to barefoot health professionals and set up labs and sessions for students in schools in Thane district of Maharashtra.

Project SAFAL is a collaborative work of NAM India with EdelGive Foundation to support Sustainable Livelihood Initiative in South Odisha. Project aims to reach about 21,000 households and will work towards enhancing farmer income. The project has a structural arrangement for grievance redressal of the community through hierarchical structure of integrated community-based organisations such as Farmer producer groups and committees.

Education

NAM India has partnered with The Energy and Resources Institute (TERI) on a project designed towards Integrated development of schools and community. It will focus on creation of education-based knowledge cum recreational centres. Project will reach about 15,000 beneficiaries in Dhanbad district of Jharkhand. The project will

examine all frameworks that will help capture and understand grievances, if any, and will aid in efficient and effective grievance redressal. The various stages in the process will involve group formation, management plan, financial transparency, stakeholder dialogue, rules and regulations for groups, tools to capture grievance and redressal mechanism, right and concession of individual members etc.

VIII. Promoting Environmental Stewardship

No corner of the globe is impervious to the destructive effects of climate change. Rising temperatures have already begun to fuel natural disasters, extreme weather events, food and water insecurity, economic disruption, and conflict.³ Scientists and climate change experts, however, believe that with urgent and determined action, climate change could be slowed down, and rising temperatures controlled.

Asset managers across the world control over USD 110 trillion of capital and have the liberty to allocate capital in corporates that enable low carbon transition and solve for the net zero goal. In addition, engagement and stewardship are key strategic levers that can help asset managers support their portfolios in navigating the low carbon transition pathway.

NAM India acknowledges its fiduciary duty towards its clients and the society at large. It is committed to implement initiatives to safeguard the environment. The Company has adopted a two-fold approach towards managing its environmental impact.

NAM's two-fold approach to environmental stewardship



Responsible Investment Processes

As a responsible investor, NAM India intends to consider environmental performance of companies when making and monitoring investments. The investment teams shall endeavor to engage with the portfolio companies on identified environmental issues.

Operational eco-efficiency

The Company recently instituted an Environment Policy. The Policy shall govern NAM India's protocols and processes to minimize its operational environmental footprint. The Company is committed to take necessary steps to sensitise employees and value chain members on the growing importance of adopting sustainable practices and resource conservation to protect the planet from the perils of climate change.

Energy efficiency and Emission Reduction

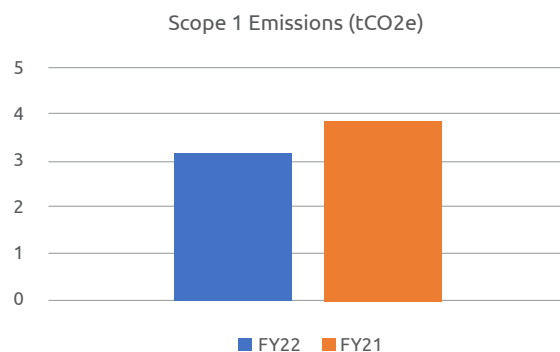
As a financial services organisation, NAM India's operational energy consumption is minimal. Key emission sources for the Company are purchased electricity, business travel, employee commute and associated goods, services and partners. NAM India has implemented measures to monitor its energy consumption patterns and compute emissions. Deviations in trends, if any are highlighted to the concerned branch office for immediate attention.

To reduce its energy consumption, the Company has installed energy efficient equipment at its offices that include but is not limited to LED lights and star rated air conditioning. The Company is also in the process of evaluating the installation of motion-based sensors at its Corporate Office to reduce emissions and help in energy savings. NAM India is looking at the commercials and feasibility of obtaining renewable energy to meet its energy needs.

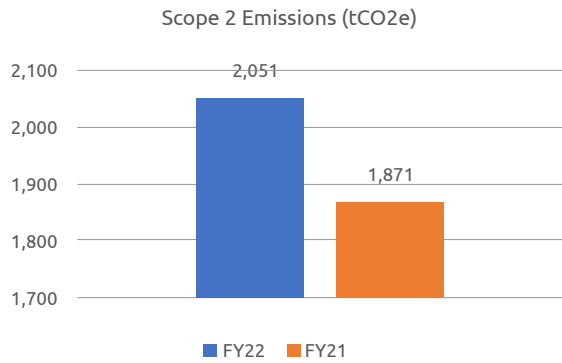
Further, to reduce desktop energy consumption the Company has a policy for refreshing end user devices, where eligible systems are replaced with newer devices that are more optimized from an energy consumption perspective.

The Company also uses environment friendly Novec gas, with minimum global warming potential and compact fluorescent lamp (CFL) at Colocation Data Centres.

Scope 1 and Scope 2 Emissions



³ Source: United Nations



Sources for scope 1 emissions of NAM India include fuels used for Company owned vehicles, while scope 2 emissions are emissions due to electricity purchased by the organisation.

Total GHG emissions during the year were, 2,054.44 tCO_{2e} and the GHG emission intensity during the year was 2.14 tCO_{2e}/FTE.

Energy Consumption in FY22

Areas	Units	FY22	FY21
Energy Consumption from Grid	Mwh	2,596.60	2,368.78
Energy Intensity	Mwh/FTE	2.71	2.39

Water Consumption

The Company has put in place measures to monitor the consumption of drinking water across its offices. NAM India also sensitises employees on the importance of water conservation through regular e-mails and posters in its offices.

All NAM India zonal offices have sensor-based taps installed in the washrooms. This has helped avoid unnecessary water wastage.

Waste Consumption

All offices of NAM India have a maintenance team which segregates the office waste into dry waste and wet waste and then hands it to the local municipal corporation for end disposal.

NAM India has put in place systems for waste-water treatment and responsible disposal of e-waste. To dispose its e-waste, the Company has an Asset disposal policy that lays down the process for disposal of information system assets. The Company has tie-ups with third party vendors who assist in disposing off the IT assets. NAM India ensures all technology equipment identified as scrap is being disposed off as per the guidelines of the policy.

Resource Consumption

To reduce its environmental footprint, NAM India has measures in place to promote no single-use plastic at its premises. In addition, the Company encourages the use of digital methods to share information and documents across teams and offices. Processes have been put in place to monitor the actual paper consumption at all the offices. The Company has implemented steps to reduce paper consumption through digitalization and awareness dissemination. For instance, NAM India uses paperless, and video based self-serviced digital onboarding modules to enroll new clients. These modules are integrated seamlessly across the various digital assets. During the year, approximately 70% of the customer requests were processed digitally, helping NAM India save significant amount of paper.

IX. Concluding Remarks

The ESG regulatory landscape is quickly evolving in India. As a responsible organisation, NAM India strives to stay ahead of the curve and go above and beyond mere legal compliance. The Company has been closely monitoring macro ESG trends and has been quick to act. In FY22, NAM India conducted an extensive diagnostic and peer benchmarking exercise to put a formal framework to its ESG strategy and future roadmap. It announced its ESG vision and mission and recently instituted a comprehensive board-approved ESG policy framework. NAM India became a signatory to the United Nations Principles for Responsible Investment (UN PRI), in FY22.

Besides, implementing a multitude of ESG initiatives, the Company resolved to enhance transparency of its non-financial performance through appropriate disclosures in the public domain, aligned to international reporting standards. The Company will strive to improve the quality of its ESG disclosures in the future too.

As an asset manager, NAM India is cognizant of its fiduciary duty to implement responsible investment practices. Integration of ESG factors in investment decision-making is in fact now more vital than ever, given the industry size, NAM India’s relative position to its peers, and recent macro events. In the near future, NAM India intends to design and launch thematic ESG-focused investment products.

Independent Auditor's Report

To the Members of Nippon Life India Asset Management Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of Nippon Life India Asset Management Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Revenue from management fee and portfolio management services (as described in Note 19 of the standalone Ind AS financial statements)</p> <p>Revenue from operations is the most significant balance in the statement of profit and loss. Revenue is made of a number of streams including:</p> <ul style="list-style-type: none"> - Management fees ₹ 1,164.82 crores - Portfolio Management Services ₹ 49.16 crores <p>There are inherent risks in computing the different revenue streams including manual input of key contractual terms and the computation of applicable Assets Under Management ('AUM'), which could result in errors. The complex nature of contractual terms involving multiple schemes requires effective monitoring to ensure all financial terms and conditions are captured accurately and applied appropriately.</p> <p>Any discrepancy in such computations could give rise to a material misstatement of the financial statements. Accordingly, revenue is considered to be a key audit matter.</p>	<p>We have performed the following procedures in relation to revenue recognized during the year:</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 judgement. • Tested the design and operating effectiveness of key controls in place across the Company relevant to these revenue calculations, including the assets under management, set up and maintenance of contractual terms and fee billing.

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • Obtained and assessed independent assurance reports for the relevant controls at the third-party administrators and considered whether there was any impact on our audit. • Obtained and read the investment management fee certification report, issued by statutory auditors of mutual fund schemes, in accordance with generally accepted assurance standards for such work and reconciled the certified amount with the accounting records. • On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and reconciled with the financial statements and test checked invoice and reconciled with the accounting records. • On a sample basis, checked the receipts of such income in bank statements. • Recalculated Portfolio Management Services Fee in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts.
Impairment of Asset Management Rights (as described in Note 2.4 of the standalone Ind AS financial statements)	
<p>The Company's balance sheet as at March 31, 2022 includes ₹ 240 crores of Asset Management Rights, representing 6.59% of total assets.</p> <p>As a result, an impairment assessment was required to be performed by the Company in terms of Ind AS 36 by comparing the carrying value of these assets to their recoverable amount to determine whether an impairment was required to be recognized.</p> <p>For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows.</p> <p>Further, the determination of the recoverable amount involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these assets.</p> <p>Accordingly, the impairment of Asset Management Rights was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p>	<p>We have performed the following procedures with respect to impairment of asset management rights:</p> <ul style="list-style-type: none"> • Obtained and read the accounting policy on impairment of asset management rights. • Read the Company's valuation methodology applied in determining the recoverable amount. We also assessed the objectivity, competence and independence of Company's specialists involved in the process. • Evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • Assessed the recoverable value computed by the Company's specialists based on the various scenarios. • Discussed potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were reasonable.

We have determined that there are no other key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the

accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2022 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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
 - v. The dividend declared or paid during the year / subsequent to the year-end by the Company is in compliance with section 123 of the Act.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 22102102AHVFQO4971

Place of Signature: Mumbai
Date: April 26, 2022

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: **Nippon Life India Asset Management Limited (“the Company”)**

- (i) (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 intangibles assets. Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are 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’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans to companies and other parties as follows:

Particulars	Loans
Aggregate amount granted during the year:	
-Subsidiaries	₹ 52.11 crores
-Others	Nil
Balance outstanding as at balance sheet date in respect of above case:	
-Subsidiaries	₹ 36.50 crores
-Others	₹ 1.24 crores

- (b) During the year the investments made and the terms and conditions of the grant of all loans to companies and other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies and other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans granted to companies and other parties which are overdue for more than ninety days.
- (e) There were no loans granted to companies and other parties which had fallen due during the year.
- (f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment to companies other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of provident fund, goods and services tax, cess and other statutory dues which have not been deposited by the Company on account of disputes. The dues outstanding on account of dispute of income-tax are as follows

Name of the statute	Nature of the dues	Amount (₹ in crores) *	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.49	AY 2017-18	The Commissioner of Income Tax (Appeals)

*excluding interest, if any.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of 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) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained 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 not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in Note 38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 22(b) to the financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in Note 22(b) to the financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 22102102AHVFQO4971

Place of Signature: Mumbai
Date: April 26, 2022

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Nippon Life India Asset Management Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Nippon Life India Asset Management Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 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 these standalone Ind AS financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS 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 standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 22102102AHVFQ04971

Place of Signature: Mumbai
Date: April 26, 2022

Statement of Assets and Liabilities

as at March 31, 2022

(₹ in crores)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	3	4.45	6.76
Bank balance other than above	4	270.87	297.41
Receivables	5		
(I) Trade receivables		65.86	36.73
(II) Other receivables		-	-
Loans	6	36.32	35.21
Investments	7	2,877.78	2,513.01
Other financial assets	8	22.35	20.33
Sub-total - financial assets		3,277.63	2,909.45
Non-financial assets			
Current tax assets (net)	9	31.44	29.71
Property, plant and equipment	11	9.88	10.68
Capital work-in-progress	31	0.05	1.31
Other intangible assets	10	285.63	289.07
Other non-financial assets	12	39.53	48.30
Sub-total - Non financial assets		366.53	379.07
Total Assets		3,644.16	3,288.52
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	13	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	47.06	59.53
Other financial liabilities	14	112.18	110.32
Sub-total - financial liabilities		159.24	169.85
Non-financial Liabilities			
Provisions	15	14.03	23.06
Deferred tax liabilities (Net)		67.68	33.84
Other non-financial liabilities	16	34.33	35.72
Sub-total - Non financial liabilities		116.04	92.62
Share Application money pending Allotment		0.81	0.53
EQUITY			
Equity share capital	17	622.02	616.50
Other equity	18	2,746.05	2,409.02
Total equity		3,368.07	3,025.52
Total Liabilities and Equity		3,644.16	3,288.52

The accompanying notes are integral part of these financial statements.

This is the statement of assets and liabilities referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Mumbai, April 26, 2022

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Nilufer Shekhawat
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in crores)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	19	1,213.98	986.54
Other income	20	214.44	339.12
Total income		1,428.42	1,325.66
Expenses			
Finance costs		3.79	4.37
Fee and commission expenses		15.87	12.12
Employee benefits expenses	21	267.86	248.74
Depreciation, amortization and impairment	11	26.73	32.59
Others expenses	22	168.74	184.92
Total expenses		482.99	482.74
Profit before tax		945.43	842.92
Income tax expense:			
- Current tax	23	200.38	151.51
- Deferred tax	23	33.84	42.02
Total tax expense		234.22	193.53
Profit for the period		711.21	649.39
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(0.36)	0.96
- Income tax relating to these items		0.09	(0.24)
Other comprehensive income for the period		(0.27)	0.72
Total comprehensive income for the period		710.94	650.11
Earnings per equity share			
- Basic (₹)	33	11.47	10.53
- Diluted (₹)		11.28	10.41

The accompanying notes are integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

**For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited**

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Mumbai, April 26, 2022

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Nilufer Shekhawat
Company Secretary

Statement of Cash Flow

for the year ended March 31, 2022

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax:	945.43	842.92
Adjustments :		
Depreciation and amortization	26.73	32.59
Finance cost	3.79	4.37
Net (gain) / loss on sale of property, plant and equipments	(1.74)	0.52
Provision / (Reversal) for ECL on Inter Corporate Deposits	(0.51)	(0.19)
Remeasurement of defined benefit obligations	(0.36)	0.72
Employee share based payments	35.69	38.70
(Profit) / Loss on sale of investments	(79.29)	(88.36)
Fair Value (Gain) / Loss on Investments	(104.20)	(218.15)
Dividend income	(0.70)	(1.07)
Interest income	(27.83)	(30.77)
Operating profit before working capital changes	797.01	581.28
Adjustments for (increase)/ decrease in operating assets:		
Trade and other receivables	(29.13)	14.21
Other financial assets	2.17	(0.12)
Other non-financial assets	8.77	12.35
Loans and advances to employees	(0.05)	0.06
Capital work-in-progress	1.26	0.69
Adjustments for increase/ (decrease) in operating liabilities		
Trade payables	(12.47)	(6.82)
Other financial liabilities	5.57	10.25
Provisions	(9.03)	(15.13)
Other non-financial liabilities	(1.39)	7.39
Cash generated from operations	762.71	604.16
Income taxes Paid (net of refunds)	(202.02)	(170.06)
Net cash inflow from operating activities	560.69	434.10
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	23.64	38.67
Dividend received	0.70	1.07
Sales proceeds from disposal of property, plant and equipments	0.01	0.05
Purchase of investments	(1,961.92)	(2,672.98)
Sale of investments	1,780.61	2,338.57
Proceeds from maturity of Fixed deposits placed with financial institution	26.54	(82.00)
Inter corporate deposit repayment	51.56	15.70
Inter corporate deposit given	(52.11)	(1.95)
Purchase of property, plant and equipments and intangible assets	(6.75)	(19.65)
Net cash outflow from investing activities	(137.72)	(382.52)

Statement of Cash Flow

for the year ended March 31, 2022

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issuance of Share Capital	122.24	92.37
Principal Element of Lease Payments	(17.70)	(20.73)
Interest Element of Lease Payments	(3.79)	(4.37)
Share Application money pending Allotment	0.28	0.53
Dividend paid (including dividend distribution tax)	(526.31)	(306.32)
Net cash outflow from financing activities	(425.28)	(238.52)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(2.31)	(186.94)
Add : Cash and cash equivalents at the beginning of the year	6.76	193.70
Cash and cash equivalents at the end of the year	4.45	6.76

The accompanying notes are integral part of these financial statements.

This is the statement of cash flow referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Mumbai, April 26, 2022

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Nilufer Shekhawat
Company Secretary

Statement of changes in equity

for the year ended March 31, 2022

A. Equity share capital

(₹ in crores)

For the year ended March 31, 2022		Number	Amount
Equity shares of INR 1 each issued, subscribed and fully paid			
As at April 01, 2021		61,65,04,767	616.50
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at April 01, 2021		61,65,04,767	616.50
Issue of share capital / ESOP		55,13,161	5.52
At March 31, 2022		62,20,17,928	622.02
For the year ended March 31, 2021		Number	Amount
Equity shares of INR 1 each issued, subscribed and fully paid			
As at April 01, 2020		61,21,11,867	612.11
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at April 01, 2020		6,121,11,867	612.11
Issue of share capital / ESOP		43,92,900	4.39
As at March 31, 2021		61,65,04,767	616.50

B. Other equity

(₹ in crores)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total other equity
	Securities premium	General reserve	Surplus/(deficit) in the statement of profit and loss	Share based options outstanding account	Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	
As at March 31, 2020	576.58	96.99	1,199.11	63.45	6.10	(5.35)	1,936.88
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2020	576.58	96.99	1,199.11	63.45	6.10	(5.35)	1,936.88
Profit for the year	-	-	649.39	-	-	-	649.39
Other comprehensive income	-	-	-	-	-	0.72	0.72
Total Comprehensive Income for the year	-	-	649.39	-	-	0.72	650.11
Stock option expense for the year	-	-	-	40.37	-	-	40.37
Options lapsed during the year	-	0.94	-	(0.94)	-	-	-
- Interim dividend on equity shares	-	-	(306.32)	-	-	-	(306.32)
- Fresh issue of equity shares	99.60	-	-	(11.62)	-	-	87.98
As at March 31, 2021	676.18	97.93	1,542.18	91.26	6.10	(4.63)	2,409.02
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	676.18	97.93	1,542.18	91.26	6.10	(4.63)	2,409.02
Profit for the year	-	-	711.21	-	-	-	711.21
Other comprehensive income	-	-	-	-	-	(0.27)	(0.27)
Total Comprehensive Income for the year	-	-	711.21	-	-	(0.27)	710.94
- Share based payments:							
Stock option expense for the year	-	-	-	35.69	-	-	35.69
Options lapsed during the year	-	(0.03)	-	0.02	-	-	-
- Interim dividend on equity shares	-	-	(217.41)	-	-	-	(217.41)
- Final dividend on equity shares	-	-	(308.90)	-	-	-	(308.90)
- Fresh issue of equity shares	132.66	-	-	(15.94)	-	-	116.72
As at March 31, 2022	808.84	97.90	1,727.08	111.03	6.10	(4.90)	2,746.05

The accompanying notes are integral part of these financial statements.

This is the statement of changes in Equity referred to in our report of even date.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of

Nippon Life India Asset Management Limited

per Shrawan Jalan

Partner

Membership Number : 102120

Sundeep Sikka

Executive Director & CEO

DIN No. 02553654

Ashvin Parekh

Director

DIN No. 06559989

Mumbai, April 26, 2022

Prateek Jain

Chief Financial Officer

Ajay Patel

Manager

Nilufer Shekhawat

Company Secretary

Significant Accounting Policies and Notes to Accounts

for the year ended March 31, 2022

(Currency : Indian Rupees)

1 CORPORATE INFORMATION

Nippon Life India Asset Management Limited ('the Company') was incorporated on February 24, 1995.

The Company's principal activity is to act as an investment manager to Nippon India Mutual Fund ('the Fund') and to provide Portfolio Management Services ('PMS') and advisory services to clients under Securities and Exchange Board of India (SEBI) Regulations. The Company is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.

The equity shares of the Company were listed on National Stock exchange of India Limited and Bombay Stock exchange Limited on November 6, 2017.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments).
- Defined benefit plans – plan assets and
- Equity Settled share based payments

2.2 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, Plant & Equipment which are significant to total cost of that item of Property plant & Equipment and having different useful life are accounted separately.

Depreciation methods, estimated useful lives & residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

The estimated useful lives for the different types of assets are:

Asset	Useful Life
Furniture and fixtures	10 years
Office equipment	5 years
IT equipments - computers & printers	3 years
Vehicles	8 years

Leasehold improvements are amortised over the primary period of the lease on straight-line basis or useful life of asset, whichever is lower.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

2.3 Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, accumulated amortization and impairment losses, if any. Such costs include purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Acquisition of rights to manage and administer the schemes of Goldman Sachs Mutual Fund have been stated at cost net of impairment losses, if any.

2.4 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount

by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Leases

As a lessee

The Company has applied IND AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect

the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.6 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Executive Director who has been identified as the Chief Operating Decisions Maker.

2.7 Foreign Currency Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

2.8 Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction Costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

B. Subsequent Measurement

Financial Assets measured at Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured as described in note 6. Interest income from these financial assets is recognized using the effective interest rate method.

Financial Assets measured at Fair Value Through Other Comprehensive Income: Financial assets that are held for collection of contractual cash flows and for selling

the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Financial Assets measured at Fair Value Through Profit or Loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

C. Equity instruments

All equity investments are measured at fair value with value changes recognized in statement of profit and loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/loss on fair value changes in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

D. Impairment of Financial Asset

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. ECL is measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust

the loss allowance at the reporting date to the amount that is required to be recognized, is recognized as an expense in the statement of profit or loss.

2.9 Financial Liabilities

A. Initial Recognition

All Financial liabilities are recognized at fair value and in case of borrowing, net of directly attributable cost. Fees of recurring nature are directly recognized in the statement of profit and loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. Derecognition

Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires.

2.10 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- i. The amount of the loss allowance; and
- ii. The premium received on initial recognition less income recognized in accordance with the principles of Ind AS 115.

2.11 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied.

Revenue Recognition for different heads of Income are as under:

- (i) **Investment Management Fees (net of tax)**
Investment Management fees are recognized on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average assets under management (AUM) of Nippon India Mutual Fund schemes.
- (ii) **Advisory Fees (net of tax)**
Advisory fees are recognized on an accrual basis in accordance with agreement entered into with respective investment managers / advisors.
- (iii) **Portfolio Management Fees (net of tax)**
Portfolio Management fees are recognized on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients.
- (iv) **Interest income**
Interest income is recognized using the effective interest rate.
- (v) **Dividend income**
Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

2.12 Income Tax

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax Authorities, based on tax rates and laws that are enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognized on temporary differences arising between carrying amounts of asset and liabilities in financial statements and corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.13 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held

at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdraft.

2.14 New fund offer expenses of mutual fund and PMS schemes

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred.

2.15 Fund and commission expenses

Prior to October 21, 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issues by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until October 21, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after October 21, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-Financial Assets considering the normal operating cycle of the Company.

2.16 Off-setting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognized as a finance cost.

2.18 Employee-Benefits Expense

(i) Short-term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the service.

(ii) **Post-employment obligations**

Defined contribution plans

The Company recognizes contribution payable to provident fund scheme as an expense, when the employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

Defined benefit plans

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) **Other long-term employee benefit obligations**

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit or loss.

Phantom shares

As a long-term incentive plan to employees, the Company has initiated Phantom Stock Option Plan which are cash settlement rights where the employees are entitled to get cash compensation based on agreed formulae. The employees are entitled to receive cash payment equivalent to appreciation in the value over the defined base price. The present value of the obligation under such plan is determined based on actuarial valuation.

2.19 Share-based payments

Employee Stock Option Scheme (ESOS)

Equity settled share based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in note 28.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognized in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Reliance Capital Asset Management Employees Benefits Trust

The Reliance Capital Asset Management Employees Benefit Trust is administered by the Company. The Company treats the trust as its extension and is consolidated in Company's financial statements. There are no shares pending to be allotted in the Trust.

2.20 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.21 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

Notes forming part of financial statements

as at March 31, 2022

3. Cash and cash equivalents

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	-
Cheques on hand	-	-
Balances with banks:		
In current accounts	4.45	6.76
Deposits with original maturity of less than 3 months	-	-
Total	4.45	6.76

4. Bank balance other than cash and cash equivalents above

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
In earmarked accounts		
- unclaimed dividend	0.34	0.20
- unspent CSR	0.40	-
In deposit accounts		
Term Deposits against the bank guarantee	15.60	15.60
Other Term Deposits	254.53	281.61
Total	270.87	297.41

5. Trade receivables

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	65.86	36.73
(Less): Allowance for impairment loss	-	-
Total	65.86	36.73

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment					
	0- 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
Undisputed Trade Receivables – considered good	63.47	2.38	-	0.01	-	65.86
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-
Total	63.47	2.38	-	0.01	-	65.86

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment						
	As at March 31, 2021	0- 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good		35.67	0.98	-	0.07	0.00	36.73
Disputed Trade Receivables – considered good		-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
Undisputed Trade receivable – credit impaired		-	-	-	-	-	-
Disputed Trade receivable – credit impaired		-	-	-	-	-	-
Total		35.67	0.98	-	0.07	0.00	36.73

6. Loans

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortized cost		
Term loans (unsecured)		
Loans and advances to related parties	36.50	35.00
Loans and advances to employees	0.24	0.19
Loans and advances Others	1.00	1.95
Total (A) - Gross	37.74	37.14
(Less): Impairment loss allowance	(1.42)	(1.93)
Total (A) - Net	36.32	35.21
Secured by property, plant and equipments	-	-
Secured by intangible assets	-	-
Covered by bank/government guarantees	-	-
Unsecured	37.74	37.14
Total (B) - Gross	37.74	37.14
(Less): Impairment loss allowance	(1.42)	(1.93)
Total (B) - Net	36.32	35.21
Loans in India		
- Public sector	-	-
- Others	37.74	37.14
Total (C) - Gross	37.74	37.14
(Less): Impairment loss allowance	(1.42)	(1.93)
Total (C) - Net	36.32	35.21

The details of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are

- (a) repayable on demand or
- (b) without specifying any terms or period of repayment.

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties (Subsidiary)	36.50	96.71	35.00	94.24

Reconciliation of ECL balance

(₹ in crores)

Particulars	Year ended March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	0.52	1.41	-	1.93
New assets originated / change in inputs to ECL model	0.43	-	-	0.43
Assets derecognized or repaid	(0.39)	(0.54)	-	(0.93)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	0.56	0.87	-	1.42

(₹ in crores)

Particulars	Year ended March 31, 2021			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	0.73	1.39	-	2.12
New assets originated / change in inputs to ECL model	(0.21)	0.02	-	(0.19)
Assets derecognized or repaid	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	0.52	1.41	-	1.93

7. Investments

(₹ in crores)

Particulars	At amortised cost	At fair value through			Others*	Total
		Other comprehensive income	Profit and loss	Subtotal		
As at March 31, 2022						
Mutual funds	-	-	2,709.04	2,709.04	-	2,709.04
Debt securities	109.69	-	-	-	-	109.69
Equity Shares	-	-	9.55	9.55	-	9.55
Subsidiaries	36.77	-	-	-	-	36.77
Associates	12.73	-	-	-	-	12.73
Total (A) - Gross	159.19	-	2,718.59	2,718.59	-	2,877.78
(Less): Impairment loss allowance	-	-	-	-	-	-
Total (A) - Net	159.19	-	2,718.59	2,718.59	-	2,877.78
Investments outside India	30.79	-	-	-	-	30.79
Investments in India	128.40	-	2,718.59	2,718.59	-	2,846.99
Total (B) - Gross	159.19	-	2,718.59	2,718.59	-	2,877.78
(Less): Impairment loss allowance	-	-	-	-	-	-
Total (B) - Net	159.19	-	2,718.59	2,718.59	-	2,877.78
As at March 31, 2021						
Mutual funds	-	-	2,349.60	2,349.60	-	2,349.60
Debt Securities	109.86	-	-	-	-	109.86
Equity Shares	-	-	0.05	0.05	-	0.05
Subsidiaries	35.10	-	-	-	-	35.10
Associates	12.73	-	-	-	-	12.73
Others	-	-	5.67	5.67	-	5.67
Total (A) - Gross	157.69	-	2,355.32	2,355.32	-	2,513.01
(Less): Impairment loss allowance	-	-	-	-	-	-
Total (A) - Net	157.69	-	2,355.32	2,355.32	-	2,513.01
Investments outside India	30.79	-	-	-	-	30.79
Investments in India	126.90	-	2,355.32	2,355.32	-	2,482.22
Total (B) - Gross	157.69	-	2,355.32	2,355.32	-	2,513.01
(Less): Impairment loss allowance	-	-	-	-	-	-
Total (B) - Net	157.69	-	2,355.32	2,355.32	-	2,513.01

8. Other financial assets

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	10.26	9.87
Interest accrued on loans	0.34	0.21
Interest accrued on others	10.72	6.66
Accrued Fee Income	1.03	3.09
Units pending Allotment	-	0.50
Total	22.35	20.33

9. Current tax assets (net)

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax paid in advance (net of provision)	31.44	29.71
Total	31.44	29.71

10. Intangible assets

(₹ in crores)

Particulars	Right-of-use assets	Computer software / Licensing cost	Asset management rights	Total
Year ended March 31, 2021				
Gross carrying amount				
Cost as at April 1, 2020	94.68	19.32	250.14	364.14
Additions	3.63	10.44	-	14.07
Less: Disposals and transfers	30.67	3.10	-	33.77
Closing gross carrying amount	67.64	26.66	250.14	344.44
Accumulated amortization				
Opening accumulated amortization	23.68	17.40	10.14	51.22
Amortization during the year	21.92	3.68	-	25.60
Less: Disposals and transfers	18.35	3.10	-	21.45
Closing accumulated depreciation	27.25	17.98	10.14	55.37
Net carrying amount as at March 31, 2021	40.39	8.68	240.00	289.07
Year ended March 31, 2022				
Gross carrying amount				
Cost as at April 1, 2021	67.64	26.66	250.14	344.44
Additions	23.58	2.50	-	26.08
Less: Disposals and transfers	20.35	3.61	-	23.96
Closing gross carrying amount	70.87	25.55	250.14	346.56
Accumulated amortization				
Opening accumulated amortization	27.25	17.98	10.14	55.37
Amortization during the year	17.47	4.26	-	21.73
Less: Disposals and transfers	12.59	3.58	-	16.17
Closing accumulated depreciation	32.13	18.66	10.14	60.93
Net carrying amount as at March 31, 2022	38.74	6.89	240.00	285.63

11. Property, plant and equipment

(₹ in crores)

Particulars	Data processing machineries	Vehicles	Office Equipments	Furniture and fixtures	Leasehold improvement	Total
Year ended March 31, 2021						
Gross carrying amount						
Cost as at April 1, 2020	32.51	1.09	10.62	2.56	18.17	64.95
Additions	6.73	1.86	0.57	0.05	-	9.21
Less: Disposals and transfers	18.94	-	6.75	1.94	6.68	34.31
Closing gross carrying amount	20.30	2.95	4.44	0.67	11.49	39.85
Accumulated depreciation						
Opening accumulated depreciation	27.96	1.05	8.81	2.10	16.00	55.92
Depreciation charge during the year	4.22	0.04	0.75	0.06	1.92	6.99
Less: Disposals and transfers	18.59	-	6.59	1.89	6.67	33.74
Closing accumulated depreciation	13.59	1.09	2.97	0.27	11.25	29.17
Net carrying amount as at March 31, 2021	6.71	1.86	1.47	0.40	0.24	10.68
Year ended March 31, 2022						
Gross carrying amount						
Cost as at April 1, 2021	20.29	2.95	4.45	0.67	11.49	39.85
Additions	1.01	2.31	0.59	0.07	0.27	4.25
Less: Disposals and transfers	2.74	-	0.45	0.11	0.18	3.48
Closing gross carrying amount	18.56	5.26	4.59	0.63	11.58	40.62
Accumulated depreciation						
Opening accumulated depreciation	13.58	1.09	2.96	0.27	11.25	29.15
Depreciation charge during the year	3.55	0.38	0.71	0.06	0.30	5.00
Less: Disposals and transfers	2.74	-	0.38	0.07	0.22	3.41
Closing accumulated depreciation	14.39	1.47	3.29	0.26	11.33	30.74
Net carrying amount as at March 31, 2022	4.17	3.79	1.30	0.37	0.25	9.88

12. Other non-financial asset

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to Vendors	8.67	8.80
GST Input tax credit	14.80	14.43
Prepaid expenses	14.48	23.61
Others	1.58	1.46
Total	39.53	48.30

13. Trade payables

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	47.06	59.53
Total	47.06	59.53

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from suppliers regarding their status under the said act as available with the Company and relied upon by the auditors, is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:		
- Principal amount	-	-
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment				
	0-1 years	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.10	0.20	0.48	0.01	0.78
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	0.10	0.20	0.48	0.01	0.78

Unbilled dues as on March 31, 2022 is 46.28 Crs.

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment				
	0-1 years	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.72	0.52	0.01	0.39	1.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	0.72	0.52	0.01	0.39	1.64

Unbilled dues as on March 31, 2021 is 57.89 Crs.

14. Other Financial Liabilities

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Other payables	65.07	59.65
Unclaimed dividend	0.35	0.20
Lease liability	46.76	50.47
Total	112.18	110.32

15. Provisions

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Leave encashment	3.14	2.98
Phantom Shares	7.64	11.73
Compensated Absence Cost	3.25	8.35
Total	14.03	23.06

16. Other Non-Financial Liabilities

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	34.33	35.72
Total	34.33	35.72

17. Equity share capital

(₹ in crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	₹	Number	₹
Authorized shares				
Equity shares of ₹ 10 each	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Increase/(decrease) during the year	-	-	-	-
As at 31 March	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Preference shares of ₹ 100 each	30,00,000	30.00	30,00,000	30.00
Increase/(decrease) during the year	-	-	-	-
As at 31 March	30,00,000	30.00	30,00,000	30.00
Issued, subscribed & fully paid-up shares				
Equity shares of ₹ 10 each	61,65,04,767	616.50	61,21,11,867	612.11
Changes during the period	55,13,161	5.51	43,92,900	4.39
As at 31 March	62,20,17,928	622.02	61,65,04,767	616.50

a) Terms and 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 any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

The dividend proposed by the Board of Directors is subject to the approval of Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

b) Shares reserved for issue under options

Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in note 28.

c) Shares of the Company held by the holding/ultimate holding Company

Equity Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Nippon Life Insurance Company*	45,90,28,095	73.80	45,90,28,095	74.46

* Including shares held jointly with nominee Shareholders

d) Details of Shareholders holding more than 5% of the shares in the Company

Equity Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Nippon Life Insurance Company*	45,90,28,095	73.80	45,90,28,095	74.46

* Including shares held jointly with nominee Shareholders

e) Details of shares held by promoters

As at March 31, 2022						
S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Nippon Life Insurance Company	45,90,28,095	-	45,90,28,095	73.80	-
Total		45,90,28,095	-	45,90,28,095	73.80	-

As at March 31, 2021						
S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Nippon Life Insurance Company	45,90,28,095	-	45,90,28,095	74.46	-
Total		45,90,28,095	-	45,90,28,095	74.46	-

18. Other Equity

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	808.85	676.18
General reserve	97.91	97.93
Surplus in the statement of profit and loss	1,727.08	1,542.18
Share based options outstanding account	111.03	91.26
Other comprehensive income	1.20	1.47
Total	2,746.07	2,409.02

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account		
Opening balance	676.18	576.58
Add/(Less) : Changes during the year		
Fresh issue of equity shares	132.67	99.60
Closing balance	808.85	676.18
General reserve		
Opening balance	97.93	96.99
Add/(Less) : Changes during the year		
Share based options outstanding account	(0.02)	0.94
Closing balance	97.91	97.93
Surplus/(deficit) in the statement of profit and loss		
Opening balance	1,542.18	1,199.11
Net profit for the period	711.21	649.39
Dividends:		

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Interim dividend on equity shares	(217.41)	(306.32)
Final dividend on equity shares	(308.90)	-
Closing balance	1,727.08	1,542.18
Share based options outstanding account		
Opening balance	91.26	63.45
Add: Stock option expense for the year	35.69	40.37
Less: Transferred to General Reserve	0.02	(0.94)
Add: Fresh issue of equity shares	(15.94)	(11.62)
Closing balance	111.03	91.26

Other Comprehensive Income

(₹ in crores)

Particulars	Equity Instruments through Other Comprehensive Income	Others	Total
As at April 01, 2020	6.10	(5.35)	0.75
Remeasurements of post-employment benefit obligations	-	0.96	0.96
Deferred tax	-	(0.24)	(0.24)
As at March 31, 2021	6.10	(4.63)	1.47
Remeasurements of post-employment benefit obligations	-	(0.36)	(0.36)
Deferred tax	-	0.09	0.09
As at March 31, 2022	6.10	(4.90)	1.20

Nature and purpose of reserve:

a) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

c) Share based options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period. (Refer Note. 28)

19. Revenue from Operations

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Management Fees	1,164.82	942.75
Portfolio Management Fees (including advisory fees)	49.16	43.79
Total	1,213.98	986.54

20. Other Income

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest	27.83	30.77
Dividend	0.70	1.07
Gain on sale of Investment	183.49	306.51
Miscellaneous income	2.42	0.77
Total	214.44	339.12

21 Employee benefits expenses

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries wages and bonus	215.10	198.26
Contribution to provident and other funds	10.83	10.59
Employee stock option scheme	35.69	38.70
Staff welfare expenses	6.24	1.19
Total	267.86	248.74

22 Others expenses

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Marketing, advertisement and publicity	26.06	24.02
Outsourced business service	33.00	38.48
Legal and Professional charges	24.81	20.76
Information technology	35.80	48.72
Rent	0.56	0.85
Communication Costs	8.07	6.85
Office administration	12.95	12.71
Conveyance and travelling	0.60	0.78
Corporate Social Responsibility	13.00	13.30
Rates, taxes and energy costs	0.61	0.36
Repairs and maintenance	1.09	3.17
Filing fees and stamp duty	2.75	1.20
Seminar and training	0.15	0.38
Membership and subscription	5.35	4.77
Insurance	0.49	4.92
Printing and stationery	2.21	0.72
Director's fees allowances and expenses	1.02	0.54
Auditor's fees and expenses	0.35	0.33
Expected credit loss (ECL)	(0.51)	(0.19)
Net loss on foreign currency transactions and translations	0.03	0.07
Miscellaneous expenses	0.35	2.18
Total	168.74	184.92

a) Breakup of Auditors' remuneration

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Audit fees	0.25	0.23
Certification matters	0.10	0.10
Out of pocket expenses	-	0.01
Total	0.35	0.33

b) Details of CSR expenditure:

(₹ in crores)

Details of CSR expenditure:	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Company during the year	12.73	13.28
b) Amount approved by the Board to be spent during the year	13.00	13.30

c) Amount spent during the year ending on March 31, 2022:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	13.00	-	13.00

d) Amount spent during the year ending on March 31, 2021:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	13.30	-	13.30

e) Details related to spent / unspent obligations:	March 31, 2022	March 31, 2021
i) Contribution to Public Trust	5.60	13.30
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	7.08	-
- Other than ongoing project	-	-
iv) Others*	0.32	
	13.00	13.30

*Includes Admin overheads of 0.32 cr

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	7.08	-	-	-	7.08

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Details of excess amount spent:

Excess amount spent			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
0.02	12.73	13.00	0.29

23 Income tax

a) The components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	200.29	149.59
Adjustment in respect of current income tax of prior years	-	2.16
Deferred tax	33.84	42.02
Total	234.13	193.77

b) Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate is as follows:

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	945.43	842.92
Tax at India's statutory income tax rate of 25.168% (previous year 25.168%)	237.95	212.15
Tax effect of the amount which are not taxable in calculating taxable income :		
- Adjustment in respect of current income tax of previous years	-	2.16
- Corporate Social responsibility expenditure	3.27	3.60
- Disallowance of estimated expenditure to earn tax exempt	0.28	0.33
- Tax free interest	(2.25)	(2.55)
- Profit / Loss on investments (including MTM)	(12.10)	(29.56)
-Income tax relating to items that will not be reclassified to profit or loss- OCI	(0.09)	-
- Others	7.07	7.64
Income tax expense at effective tax rate	234.13	193.77
Effective tax rate	24.76%	22.99%

c) Deferred tax assets/liabilities

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

(₹ in crores)

Particulars	As at March 31, 2020	Charged/ credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Deferred tax liability :				
FVTPL of financial instruments	9.78	38.21	-	47.99
Total (a)	9.78	38.21	-	47.99
Deferred tax asset :				
Property, plant and equipment	5.74	(0.41)	-	5.33
Defined benefit obligations	-	-	-	-
Leave Encashment	0.76	(0.01)	-	0.75
Compensated absense cost	0.80	1.30	-	2.10
Phantom Shares	7.89	(4.94)	-	2.95
Impairment allowance for financial assets	0.53	(0.04)	-	0.49
IND AS 116 Leases	2.24	0.29	-	2.53
Total (b)	17.96	(3.81)	-	14.15
Net deferred tax (asset)/liability (a-b)	(8.18)	42.02	-	33.84

(₹ in crores)

Particulars	As at March 31, 2021	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
Deferred tax liability :				
FVTPL of financial instruments	47.99	30.65	-	78.64
Total (a)	47.99	30.65	-	78.64
Deferred tax asset :				
Property, plant and equipment	5.33	(0.27)	-	5.05
Defined benefit obligations	-	-	-	-
Leave Encashment	0.75	0.04	-	0.79
Compensated absense cost	2.10	(1.28)	-	0.82
Phantom Shares	2.95	(1.03)	-	1.92
Impairment allowance for financial assets	0.49	(0.13)	-	0.36
IND AS 116 Leases	2.53	(0.52)	-	2.02
Total (b)	14.15	(3.19)	-	10.96
Net deferred tax (asset)/liability (a - b)	33.84	33.84	-	67.68

24 Employee benefit obligations

a) Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provident fund	7.23	6.81
Superannuation fund	0.05	0.05
Pension fund	1.36	1.45

b) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance Sheet

(₹ in crores)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	23.23	22.58	0.65
Current service cost	2.43	-	2.43
Interest expense/(income)	1.58	1.54	0.04
Return on plan assets (excl. Interest Income)	-	2.07	(2.07)
Actuarial loss / (gain) arising from change in financial assumptions	0.78	-	0.78
Actuarial loss / (gain) arising on account of experience changes	0.33	-	0.33
Liability Transferred In/ Acquisitions	0.07	-	0.07
Employer contributions	-	3.70	(3.70)
Benefit payments	(1.33)	(1.34)	0.00
As at March 31, 2021	27.09	28.55	(1.46)
Current service cost	2.61	-	2.61
Interest expense/(income)	1.74	1.84	(0.09)
Return on plan assets (excl. Interest Income)	-	0.45	(0.45)
Actuarial loss / (gain) arising from change in financial assumptions	(1.20)	-	(1.20)
Actuarial loss / (gain) arising from change in demographic assumptions	0.00	-	0.00
Actuarial loss / (gain) arising on account of experience changes	2.01	-	2.01
Liability Transferred In/ Acquisitions	-	-	-
Employer contributions	-	3.00	(3.00)
Benefit payments	(2.95)	(2.95)	0.00
As at March 31, 2022	29.31	30.89	(1.57)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of plan liabilities	29.31	27.09
Fair value of plan assets	30.89	28.55
Plan liability (net of plan assets)	-	-

ii) Statement of Profit and Loss

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee Benefit Expenses:		
Current service cost	2.61	2.43
Total	2.61	2.43
Net Interest Cost	(0.09)	0.04
Net impact on the profit before tax	2.51	2.48
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(0.45)	(2.07)
Actuarial gains/(losses) arising from changes in financial assumptions	(1.20)	0.78
Actuarial loss / (gain) arising on account of experience changes	2.01	0.33
Net impact on the other comprehensive income before tax	0.37	(0.96)

iii) Defined benefit plans assets

(₹ in crores)

Category of assets (% allocation)	As at March 31, 2022	As at March 31, 2021
Insurer managed funds		
- Government securities	55.16%	49.94%
- Deposit and money market securities	5.52%	6.02%
- Debentures / bonds	16.90%	24.54%
- Equity shares	21.40%	20.78%
- Others	1.02%	(1.28)%
Total	100.00%	100.00%

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.98%	6.44%
Salary escalation rate*	6.00%	6.00%

* Takes into account the inflation, seniority, promotions and other relevant factors

v) Demographic assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

vi) Sensitivity

(₹ in crores)

As at March 31, 2022	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1.00%	(2.03)	2.29
Salary escalation rate	1.00%	2.29	(2.06)
Employee Turnover	1.00%	0.11	(0.12)

As at March 31, 2021	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1.00%	(1.99)	2.26
Salary escalation rate	1.00%	2.25	(2.01)
Employee Turnover	1.00%	0.02	(0.03)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the

sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vii) Maturity

The defined benefit obligations shall mature after year end as follows:

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
1st Following Year	1.95	2.07
2nd Following Year	2.01	1.74
3rd Following Year	2.81	1.78
4th Following Year	2.32	2.45
5th Following Year	1.96	2.05
Sum of 6 to 10 Years	15.54	12.44
Sum of 11 Year and above	27.23	26.53

The weighted average duration of the defined benefit obligation is 10 years (previous year - 10 years)

These plans typically expose the Group to actuarial risks such as: Interest rate risk, salary risk, Investment risk, Asset Liability Matching risk, Mortality risk and Concentration risk.

- i) Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- ii) Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- iii) Investment Risk:** 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. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- iv) Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- v) Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- vi) Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.
- c) Phantom Stock Option Scheme:**

- i)** Details of phantom stock/units granted subject to the terms and conditions as per Phantom stock scheme:

Date of grant	December 01, 2015
Appreciation as per Phantom stock Option	Excess of 'fair market value of share on the date of exercise' / 'NAV of unit on the date of exercise' determined in term of the Phantom Stock Option Scheme over 'the Base Price' / 'the Base NAV'
Exercise Period	<p>In case of continuation of employment: Vested Phantom Stock Options can be exercised any time up to 3 year from the date of last vesting of Phantom stock Options; and</p> <p>In case of cessation of employment : Different periods depending on kind of cessation as per provision of the Phantom Stock Option scheme.</p>
Settlement of Phantom Stock Options	Within 90 days from the date of exercise by cash.

- ii)** The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The Projected benefit obligation is calculated using Project Unit Credit Method. The valuation of the shares/units is done considering the intrinsic value and the progression of share/unit price up to the exercise of the option. Fair Value of Phantom Stock Options was estimated on the date of grant on the assumptions of Discount Rate of 6.77% and Expected Life of 5 years.

iii) For the current year the Company has created provision of ₹ (4.09) crore (Previous year ₹ (19.60) crore).

25 Segment information

The Company is in the business of providing asset management services to the schemes of Nippon Mutual Fund and portfolio management service to clients. The primary segment is identified as asset management services. Portfolio management services does not qualify as reportable segment as per the criteria mentioned under Ind AS 108 and hence not disclosed separately.

26 Fair value measurement

a) Fair value hierarchy

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2022

(₹ in crores)

Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
At Amortised Cost					
Cash and cash equivalents	4.45	-	-	-	4.45
Investments	159.19	-	-	-	159.19
Bank balance other than cash and cash equivalents above	270.87	-	-	-	270.87
Receivables					
(I) Trade receivables	65.86	-	-	-	65.86
(II) Other receivables	-				-
Loans	36.32	-	-	-	36.32
Other financial assets	22.35	-	-	-	22.35
At Fair Value Through Profit/Loss					
Investments	-	2,709.04	-	9.55	2,718.59
Total financial assets	559.04	2,709.04	-	9.55	3,277.63
Financial liabilities					
At Amortised Cost					
Payables	47.06	-	-	-	47.06
Other financial liabilities	112.18	-	-	-	112.18
Total financial liabilities	159.24	-	-	-	159.24

As at March 31, 2021

(₹ in crores)

Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
At Amortized Cost					
Cash and cash equivalents	6.76	-	-	-	6.76
Investments	157.69	-	-	-	157.69
Bank balance other than cash and cash equivalents above	297.41	-	-	-	297.41
Receivables					
(I) Trade receivables	36.73	-	-	-	36.73
(II) Other receivables	-				-
Loans	35.21	-	-	-	35.21
Other financial assets	20.33	-	-	-	20.33

Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
At Fair Value Through Profit/Loss					
Investments	-	2,355.32	-	-	2,355.32
Total financial assets	554.13	2,355.32	-	-	2,909.45
Financial liabilities					
At Amortized Cost					
Payables	59.53	-	-	-	59.53
Other financial liabilities	110.32	-	-	-	110.32
Total financial liabilities	169.85	-	-	-	169.85

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

27 Financial risk management

The Company activities expose it to credit risk, liquidity risk and market risk. The Company's risk management is carried out by a Risk department under the policies approved by the Board of Directors. The Risk team identifies, evaluates and highlights financial risks in close cooperation with the other departments.

A Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. The Company is also exposed to other credit risks arising from investments in debt securities. Credit risk is the one of the largest risk for the Company's business; management therefore carefully manages its exposure to credit risk.

1. The maximum exposure to credit risk at the reporting date is primarily from Cash & Cash Equivalents and Bank Fixed Deposit. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high

2. The Company has extended loans to various parties. Credit risk on the loans has been managed by the Company through external credit assessments done, if any, by domestic credit rating agencies and continuously monitoring the credit worthiness of the Company. The Company uses expected credit loss model to assess the impairment loss or gain. Refer note 6 for the same.

3. Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As the Company has a contractual right to such receivables as well as has the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

B Liquidity risk and funding management

Prudent liquidity risk management implies maintaining sufficient cash and liquid investments to meet payment obligations, when due, under all circumstances.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried in accordance with practice and limits set by the Company after giving due considerations to internal and external factors that could impact the liquidity position of the Company. Further, since the Company has no external borrowings and has sufficient cash and liquid investments to meet payment obligations, there is low liquidity risk.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2022

(₹ in crores)

Contractual maturities of assets and liabilities	On demand	Upto 1 Year	1 to 5 years	Over 5 Years	Total
Financial assets					
Cash and cash equivalents	4.45	-	-	-	4.45
Bank balance other than cash and cash equivalents above	0.34	270.53	-	-	270.87
Receivables					
(I) Trade receivables	-	65.86	-	-	65.86
(II) Other receivables	-	-	-	-	-
Loans	-	0.24	9.98	26.10	36.32
Investments	2,469.05	29.79	53.13	325.80	2,877.78
Other financial assets	-	14.85	6.20	1.31	22.35
Total assets	2,473.84	381.27	69.31	353.21	3,277.63
Financial liabilities					
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	-	47.06	-	-	47.06
Other financial liabilities	-	112.18	-	-	112.18
Total liabilities	-	159.24	-	-	159.24
Net	2,473.84	222.03	69.31	353.21	3,118.39

As at March 31, 2021

(₹ in crores)

Contractual maturities of assets and liabilities	On demand	Upto 1 Year	1 to 5 years	Over 5 Years	Total
Financial assets					
Cash and cash equivalents	6.76	-	-	-	6.76
Bank balance other than cash and cash equivalents above	0.20	281.71	15.50	-	297.41
Receivables					
(I) Trade receivables	-	36.73	-	-	36.73
(II) Other receivables	-	-	-	-	-
Loans	-	0.22	11.52	23.48	35.21
Investments	2,148.75	123.93	35.28	205.05	2,513.01
Other financial assets	-	14.77	4.36	1.20	20.33
Total assets	2,155.71	457.35	66.66	229.73	2,909.45
Financial liabilities					
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	-	59.53	-	-	59.53
Other financial liabilities	-	110.32	-	-	110.32
Total liabilities	-	169.85	-	-	169.85
Net	2,155.71	287.50	66.66	229.73	2,739.60

C Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

i) Foreign currency risk

The Company has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

ii) Interest Rate Risk

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash flows of its financial instruments will fluctuate as a result of change in market interest rates. Tax Free Bonds held by the Company and loans extended by the Company to various parties are at fixed rate of coupon and accordingly the Company does not perceive any interest rate risk.

iii) Price risk

Exposure

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds, preference shares held by the Company and classified in the balance sheet at fair value through profit or loss (note 7).

Sensitivity Analysis

The table below summarizes the impact of increases/decreases of the Net Asset Value (NAV) on the Company's investment in Mutual fund and profit for the period. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's investments in mutual funds moved in line with the NAV.

(₹ in crores)

Particulars	Sensitivity of Profit or loss	
	As at March 31, 2022	As at March 31, 2021
NAV - Increase 5%	135.45	117.48
NAV - Decrease 5%	(135.45)	(117.48)

28 Employee share based payments

Employee stock option scheme (ESOS) (Equity settled)

The Company have ESOS 2017 and ESOS 2019 which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till four years as per Plan. Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS :

	ESOS 2017			ESOS 2019			
	ESOS 2017 - I	ESOS 2017 - II	ESOS 2017 - III	ESOS 2019 - I	ESOS 2019 - II	ESOS 2019 - III	ESOS 2019 - IV
Date of Grant	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Price of Underlying Stock (₹)	145.10	253.90	202.35	227.40	278.10	405.35	397.95
Exercise / Strike Price (₹)	204.25	256.10	202.35	223.32	247.60	372.71	389.28

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

Risk Free Interest Rate	6.20%-6.34%	7.06%-7.15%	6.32%-6.55%	6.22%-6.45%	4.37%-4.88%	5.49%-5.99%	5.48%-5.98%
Expected Dividend Yield	3.09%	3.25%	2.97%	3.22%	1.98%	2.54%	2.01%
Expected Life (years)	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50
Expected Volatility	13.92% to 20.81%	14.21%	16.66%	16.46%	16.17%	12.92%	12.92%
Weighted Average Fair Value (₹)	10.82	45.71	38.94	43.06	65.51	85.73	78.29

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

(As certified by the management)

Particulars	No. of stock options as at March 31, 2022						
	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Outstanding at the beginning of the year	22,85,671	35,68,514	90,38,455	1,60,77,143	4,69,772	-	-
Granted during the year	-	-	-	-	-	54,30,538	77,065
Exercised during the year	15,52,510	10,46,744	14,74,776	14,27,914	29,143	-	-
Forfeited during the year	-	-	-	-	-	-	-
Lapsed/expired during the year	-	52,316	1,72,889	1,76,746	47,282	1,88,966	-
Outstanding at the end of the year	7,33,161	24,69,454	73,90,790	1,44,72,483	3,93,347	52,41,572	77,065
Vested and exercisable	7,33,161	16,07,414	24,59,601	60,74,830	81,374	-	-

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Expiry date	August 08, 2024	April 25, 2025	April 29, 2026	August 01, 2026	June 10, 2027	July 19, 2028	August 07, 2028
Exercise price	204.25	256.10	202.35	223.32	247.60	372.71	389.28
Outstanding as at March 31, 2022	7,33,161	24,69,454	73,90,790	1,44,72,483	3,93,347	52,41,572	77,065
Outstanding as at March 31, 2021	22,85,671	35,68,514	90,38,455	1,60,77,143	4,69,772	-	-

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The options granted for no consideration and will vest upon the completion of service condition as specified in scheme in graded manner. Vested options are exercisable for the period of five years after the vesting.

The model inputs for options granted are as under:

Assumptions	ESOS 2017 - I	ESOS 2017 - II	ESOS 2017 - III	ESOS 2019 - I	ESOS 2019 - II	ESOS 2019 - III	ESOS 2019 - IV
Expected - Weighted average volatility	13.92% to 20.81%	14.21%	16.66%	16.46%	16.17%	12.92%	12.92%
Expected dividends	3.09%	3.25%	2.97%	3.22%	1.98%	2.54%	2.01%
Expected term (In years)	4	4	4	4	4	4	4
Risk free rate	6.20%-6.34%	7.06%-7.15%	6.32%-6.55%	6.22%-6.45%	4.37%-4.88%	5.49%-5.99%	5.48%-5.98%
Exercise price	204.25	256.10	202.35	223.32	247.60	372.71	389.28
Market price	145.10	253.90	202.35	227.40	278.10	405.35	397.95
Grant date	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Expiry date	August 08, 2024	April 25, 2025	April 29, 2026	August 01, 2026	June 10, 2027	July 19, 2028	August 07, 2028
Fair value of the option at grant date	10.82	45.71	38.94	43.06	65.51	85.73	78.29

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee stock option scheme (equity settled)	35.69	38.70

29 Related party transactions

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

(i)	Sr No.	Name of Related Party
	I	Holding Company
	1	Nippon Life Insurance Company
	II	Major Investing Party
	1	Nippon Life Insurance Company
	III	Key Managerial Personnel
	A	Executive Director & CEO
	1	Sundeep Sikka
	B	Non-Executive Director
	1	Ameeta Chatterjee
	2	General Ved Prakash Malik (Retd.)
	3	Akira Shibata
	4	Kazuyuki Saigo (Appointed w.e.f. 8th June 2020)
	5	Ashvin Parekh (Appointed w.e.f. 1st August 2020)
	6	Balasubramanyam Sriram (Appointed w.e.f. 15th March 2021)
	7	Yutaka Ideguchi (Appointed w.e.f. 15th March 2021)
	8	Minoru Kimura (upto 8th June 2020)
	9	Mahadevan Veeramony (Appointed w.e.f. 23rd September 2019 upto 1st August 2020)
	IV	Subsidiary
	1	Nippon Life India Asset Management (Singapore) Pte. Ltd.
	2	Nippon Life India Asset Management (Mauritius) Ltd.
	3	Nippon Life India AIF Management Limited
	V	Associate
	1	Reliance Capital Pension Fund Limited
	VI	Subsidiary of Investing Company
	1	Nissay Asset Management Corporation
	2	Nippon Life Global Investors Americas, Inc.
	VII	Associate of Holding Company
	1	Reliance Nippon Life Insurance Company Limited
	VIII	A Private Company in which a Director or Manager or his relative is a member or Director
		CMS IT Services Private Limited

(ii) Transactions during the year with related parties:

Sr. No.	Name of Related Party	Description of Transactions/ Categories	2021-2022		2020-2021	
			Transaction for the Year*	Outstanding amt. carried to Balance sheet	Transaction for the Year*	Outstanding amt. carried to Balance sheet
1	Sundeep Sikka	(i) Remuneration paid to Sundeep Sikka	6.89	-	5.51	-
2	Ameeta Chatterjee	(i) Sitting fees	0.24	-	0.16	-
3	Mahadevan Veeramony	(i) Sitting fees	-	-	0.06	-
4	General Ved Prakash Malik (Retd.)	(i) Sitting fees	0.23	-	0.18	-
5	Balasubramanyam Sriram	(i) Sitting fees	0.28	-	-	-
6	Ashvin Dhirajlal Parekh	(i) Sitting fees	0.27	-	0.14	-

7	Nippon Life India AIF Management Limited	(i) Inter corporate deposit given	52.11	-	32.35	-
		(ii) Repayment of inter corporate deposit	50.60	-	46.05	-
		(iii) Interest income	4.76	-	5.10	-
		(iv) Reimbursement for staff on deputation	0.87	-	0.77	-
		(v) Rent Cost	0.52	-	0.60	-
		(vi) ESOP related expenses	1.67	-	1.67	-
		(vii) Inter corporate deposit	-	36.50	-	35.00
		(viii) Receivable for staff deputation	-	0.07	-	0.07
8	Reliance Capital Pension Fund Limited	(i) Reimbursement of expenses charged	0.06	0.02	0.10	-
9	Nippon Life India Asset Management (Singapore) Pte. Ltd.	(i) Advisory Fees	10.08	-	7.99	-
		(ii) Offshore advisory fee receivable	-	1.93	-	0.36
10	Reliance Nippon Life Insurance Company Limited	(i) Insurance Charges (net of claims received)	5.01	-	5.79	-
		(ii) Reimbursement of expenses paid	0.55	-	0.30	-
		(iii) Payment of funded gratuity	3.00	-	3.70	-
		(iv) Advance towards insurance policies	-	0.31	-	0.05
11	Nissay Asset Management Ltd	(i) Advisory Fees Income	10.61	-	13.86	-
		(ii) Offshore Advisory fee paid	0.87	-	0.28	-
		(iii) Advisory Fee Receivable	-	0.42	-	0.55
12	CMT IT Services	(i) Charges for IT Related services	0.06	-	0.51	-

*Note: Above figures are excluding GST

30 Lease

Right to use of asset

(₹ in crores)

Particulars	Property	Motor Vehicles	Total
As at April 01, 2020	70.36	0.64	71.00
Additions	3.63	-	3.63
Deletion	(12.32)	-	(12.32)
Depreciation expense	(21.74)	(0.18)	(21.92)
As at March 31, 2021	39.93	0.46	40.39
Additions	23.58	-	23.58
Deletion	(7.76)	-	(7.76)
Depreciation expense	(17.29)	(0.18)	(17.47)
As at March 31, 2022	38.46	0.28	38.74

Lease liability

(₹ in crores)

Particulars	Amount
As at April 01, 2020	79.89
Additions / deletion (net)	(8.69)
Accretion of interest	4.37
Payments	(25.10)

As at March 31, 2021	50.47
Additions / deletion (net)	13.99
Accretion of interest	3.79
Payments	(21.49)
As at March 31, 2022	46.76

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	17.47	21.92
Interest expense on lease liabilities	3.79	4.37
Expense relating to short-term leases (included in other expenses)	0.56	0.85
Total amount recognised in profit or loss	21.82	27.14

Some of the leases contain extension and termination options. Such options are considered while determining the lease term only

31 Capital work in progress (CWIP) Ageing Schedule

(₹ in crores)

As at March 31, 2022	Amount in CWIP for a period of				Total
	0- 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.05	-	-	-	0.05
Projects temporarily suspended	-	-	-	-	-
Total	0.05	-	-	-	0.05

As at March 31, 2021	Amount in CWIP for a period of				Total
	0- 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.65	0.66	-	-	1.31
Projects temporarily suspended	-	-	-	-	-
Total	0.65	0.66	-	-	1.31

32 Dividend during the year

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Dividend during the year		
Dividends on ordinary shares:		
Final dividend for FY 2019-20: 1 per share	-	122.42
Interim dividend for FY 2020-21: 3 per share	-	183.90
Final dividend for FY 2020-21: 5 per share	308.90	-
Interim dividend for FY 2021-22: 3.50 per share	217.41	-
Total Dividend paid	526.31	306.32
B. Proposed (not recognised as a liability)		
Dividend on ordinary shares:		
*Final dividend for FY 2021-22: 7.50 per share (FY 2020-21: 5.00 per share)	466.51	308.25

*Based on the outstanding number of equity share as on the proposed date

33 Earnings per share (EPS)

a) The basic earnings per share has been calculated based on the following:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax available for equity Shareholders (₹ in crores)	711.21	649.39
Weighted average number of equity shares	62,00,04,419	61,65,04,767

b) The reconciliation between the basic and the diluted earnings per share is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic earnings per share	11.47	10.53
Effect of outstanding stock options	(0.19)	(0.13)
Diluted earnings per share	11.28	10.41

c) Weighted average number of equity shares is computed for the purpose of calculating diluted earning per share, after giving the dilutive impact of the outstanding stock options for the respective years.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of shares for computation of Basic EPS	62,00,04,419	61,65,04,767
Dilutive effect of outstanding stock options	1,04,52,531	75,93,159
Weighted average number of shares for computation of Diluted EPS	63,04,56,950	62,40,97,926

34 Contingent liabilities

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Claims not acknowledged as debts in respect of:		
- Guarantees to banks and financial institutions	11.30	10.13
- Claims against Company not acknowledged as debt	3.25	2.20

35 Capital commitments

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)	1.08	5.60

36 Expenditure in foreign currency

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Travelling Expenses	0.02	0.09
Legal & Professional Fees	2.02	1.52
Salary and benefits	1.95	2.13
Other expenses	2.99	2.76
Total	6.98	6.49

Earning in foreign currency

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Advisory fees	22.85	21.79
Total	22.85	21.79

37 The details of utilization of IPO proceeds ₹ 588.85 crore (net of IPO related expenses) are as follows:

(₹ in crores)

Particulars	Net Proceeds as per IPO	Utilized upto March 31, 2022	Unutilized amount as of March 31, 2022
Setting up new branches and relocating certain existing branches	38.31	4.62	33.69
Upgrading the IT system	40.65	40.65	-
Advertising, marketing and brand building activities	72.09	62.60	9.49
Lending to our Subsidiary (Nippon Life India AIF Management Limited) for investment of continuing interest in the new AIF schemes managed by Reliance AIF Management Company Limited	125.00	78.65	46.35
Investing towards our continuing interest in new mutual fund schemes managed by us	100.00	100.00	-
Funding inorganic growth and strategic initiatives	165.00	-	165.00
General corporate purposes	47.80	47.80	-
Total	588.85	334.32	254.53

Management continues to evaluate market conditions, changing business dynamics and the competitive landscape so as to ensure optimal utilisation of the IPO Proceeds in the subsequent periods, in accordance with the objectives as stated in the IPO Prospectus.

38 Key Financial Ratios

Ratio	Year ended March 31, 2022	Year ended March 31, 2021	% Variance
Return on equity ratio*	22.25%	23.30%	(5%)
Trade receivables turnover ratio**	23.67	22.51	5%
Return on capital employed***	29.37%	30.05%	(2%)

*Net Profit after tax/Average Shareholder's Equity

**Net Credit sales/Average Trade Receivable

***Earnings before interest and taxes/Capital Employed

39 The Company do not have any transactions with struck off companies.

40 The Company has not borrowed any fund from bank or financial Institution or other lender hence disclosure in relation to Wilful defaulter is not applicable.

41 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

42 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

43 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

44 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

45 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

46 The Company does not has any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

47 The Code on Social Security 2020, relating to employee benefits during employment and post-employment, has been notified in the Official Gazette on 29th Sep 2020, which could impact the contributions made by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.

48 Events occurring after the reporting period

The Board of Directors have proposed final dividend of ₹ 7.50/- per equity share of ₹ 10/- each for the financial year 2021-22. This is in addition to the interim dividend of ₹ 3.50/- per equity share declared by the Board of Directors on October 26, 2021.

49 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Mumbai, April 26, 2022

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Nilufer Shekhawat
Company Secretary

Independent Auditor's Report

To the Members of Nippon Life India Asset Management Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Nippon Life India Asset Management Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2022, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Revenue from management fee and portfolio management services (as described in Note 19 of the consolidated Ind AS financial statements)</p> <p>Revenue from operations is the most significant balance in the statement of profit and loss. Revenue is made of a number of streams including:</p> <ul style="list-style-type: none"> - Management fees Rs. 1,262.72 crores - Portfolio Management Services Rs. 43.92 crores <p>There are inherent risks in computing the different revenue streams including manual input of key contractual terms and the computation of applicable Assets Under Management ('AUM'), which could result in errors. The complex nature of contractual terms involving multiple schemes requires effective monitoring to ensure all financial terms and conditions are captured accurately and applied appropriately.</p>	<p>We have performed the following procedures in relation to revenue recognized during the year:</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 judgement. • Tested the design and operating effectiveness of key controls in place across the Company relevant to these revenue calculations, including the assets under management, set up and maintenance of contractual terms and fee billing.

Key audit matters	How our audit addressed the key audit matter
<p>Any discrepancy in such computations could give rise to a material misstatement of the financial statements. Accordingly, revenue is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • Obtained and assessed independent assurance reports for the relevant controls at the third-party administrators and considered whether there was any impact on our audit. • Obtained and read the investment management fee certification report, issued by statutory auditors of mutual fund schemes, in accordance with generally accepted assurance standards for such work and reconciled the certified amount with the accounting records. • On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and reconciled with the financial statements and test checked invoice and reconciled with the accounting records. • On a sample basis, checked the receipts of such income in bank statements. • Recalculated Portfolio Management Services Fee in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts.
<p>Impairment of Asset Management Rights (as described in Note 2.5 of the consolidated Ind AS financial statements)</p>	
<p>The Company's balance sheet as at March 31, 2022 includes Rs. 240 crores of Asset Management Rights, representing 6.32% of total assets.</p> <p>As a result, an impairment assessment was required to be performed by the Company in terms of Ind AS 36 by comparing the carrying value of these assets to their recoverable amount to determine whether an impairment was required to be recognised.</p> <p>For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows.</p> <p>Further, the determination of the recoverable amount involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these assets.</p> <p>Accordingly, the impairment of Asset Management Rights was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.</p>	<p>We have performed the following procedures with respect to impairment of asset management rights:</p> <ul style="list-style-type: none"> • Obtained and read the accounting policy on impairment of asset management rights. • Read the Company's valuation methodology applied in determining the recoverable amount. We also assessed the objectivity, competence and independence of Company's specialists involved in the process. • Evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • Assessed the recoverable value computed by the Company's specialists based on the various scenarios. • Discussed potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were reasonable.

We have determined that there are no other key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate 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 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated Ind AS 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 associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 Ind AS

financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary whose financial statements include total assets of Rs. 44.38 crores as at March 31, 2022, and total revenues of Rs. 40.86 crores and net cash inflows of Rs. 4.96 crores 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. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 0.79 crores for the year ended March 31, 2022, as considered in the consolidated Ind AS financial statements, in respect of one associate whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of such other auditors.

This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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 sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon 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 Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2022;
- iv. a) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate 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 subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) 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 subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v) The final dividend paid by the Holding Company, its subsidiaries and associate companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, its subsidiaries and associate companies incorporated in India and until the date of the respective audit reports of such Holding Company, subsidiaries and associate is in accordance with section 123 of the Act.

As stated in Note 35 to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company, its subsidiaries and associate companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 22102102AHVGQN4027

Place of Signature: Mumbai
Date: April 26, 2022

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: **Nippon Life India Asset Management Limited (“the Company”)**

- (xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the Group and associate included in the consolidated Ind AS financial statements. Accordingly, the requirement to report on clause 3(xxii) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 22102102AHVGQN4027

Place of Signature: Mumbai
Date: April 26, 2022

Annexure 2 to the Independent Auditor’s Report of even date on the Consolidated Ind AS Financial Statements of Nippon Life India Asset Management Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of Nippon Life India Asset Management Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), and its associate, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 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 in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS 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 control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to an associate, which is incorporated in India, is based on the corresponding report of the auditor of such an associate company.

For S.R. Batliboi & Co. LLP**Chartered Accountants****ICAI Firm Registration Number: 301003E/E300005****per Shrawan Jalan**

Partner

Membership Number: 102102

UDIN: 22102102AHVGQN4027

Place of Signature: Mumbai

Date: April 26, 2022

Consolidated Statement of Assets and Liabilities

as at March 31, 2022

(₹ in crores)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	3	47.92	18.78
Bank balance other than cash and cash equivalents above	4	290.51	341.83
Receivables			
(I) Trade receivables	5A	75.37	45.86
(II) Other receivables	5B	0.05	0.04
Loans	6	0.37	0.73
Investments	7	2,941.70	2,549.95
Other financial assets	8	23.07	20.39
Sub-total - Financial assets		3,378.99	2,977.58
Non-financial assets			
Income tax assets (net)	9	37.64	35.21
Property, plant and equipment	10	10.01	10.79
Capital work-in-progress	31	0.05	1.31
Other intangible assets	11	286.03	289.96
Other non-financial assets	12	83.82	77.38
Sub-total - Non Financial assets		417.55	414.65
Total assets		3,796.54	3,392.23
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
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	55.95	62.87
Other financial liabilities	14	122.55	119.53
Sub-total - financial liabilities		178.50	182.40
Non-financial Liabilities			
Provisions	15	15.41	23.41
Deferred tax liabilities (net)	23	78.17	39.55
Other non-financial liabilities	16	45.84	46.01
Sub-total - Non financial liabilities		139.42	108.97
Share Application money pending Allotment		0.81	0.53
EQUITY			
Equity share capital	17	622.02	616.50
Other equity	18	2,855.79	2,483.83
Total equity		3,477.81	3,100.33
Total liabilities and equity		3,796.54	3,392.23

The accompanying notes are integral part of these financial statements.

This is the statement of assets and liabilities referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Mumbai, April 26, 2022

Nilufer Shekhawat
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in crores)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	19	1,306.64	1,062.14
Other income	20	228.99	357.20
Total income		1,535.63	1,419.34
Expenses			
Finance costs		3.82	4.43
Fee and commission expenses		51.30	43.23
Employee benefits expenses	21	290.31	271.33
Depreciation, amortization and impairment	10 & 11	27.22	33.27
Others expenses	22	174.31	190.06
Total expenses		546.96	524.32
Profit before tax		988.67	877.02
Income tax expense:			
- Current tax	23	206.66	157.41
- Deferred tax	23	38.64	40.22
Total tax expense		245.30	197.63
Profit for the year		743.37	679.39
Share of profit / (loss) in associate		0.79	0.94
Net profit after tax and share of profit in associate		744.16	680.33
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(0.40)	0.96
- Income tax relating to these items		0.10	(0.24)
Other comprehensive income / (loss) for the year		(0.30)	0.72
Total comprehensive income for the year		743.86	681.05
Earnings per equity share			
- Basic (₹)	35	12.00	11.04
- Diluted (₹)		11.80	10.90

The accompanying notes are integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

**For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited**

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Mumbai, April 26, 2022

Nilufer Shekhawat
Company Secretary

Consolidated Statement of Cash Flow

For the period ended March 31, 2022

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax:	988.67	877.02
Adjustments :		
Depreciation and amortization	27.22	33.27
Finance cost	3.82	4.43
Net (gain) / loss on sale of property, plant and equipments	(1.71)	0.52
Provision / (Reversal) for ECL on Inter Corporate Deposits	(0.54)	0.01
foreign currency transactions and translations	1.96	(0.20)
Remeasurement of defined benefit obligations	(0.40)	0.72
Employee share based payments	37.36	40.37
(Profit) / Loss on sale / fair value of Investments (net)	(80.50)	(88.36)
Fair Value (Gain) / Loss on Investments	(121.11)	(238.47)
Dividend income	(0.71)	(1.07)
Interest income	(24.39)	(28.55)
Operating profit before working capital changes	829.67	599.70
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	(29.52)	13.40
Other financial assets	1.41	(0.22)
Other Non-financial assets	(6.44)	22.39
Loans and advances to employees	(0.05)	0.06
Capital work-in-progress	1.26	0.69
Adjustments for increase/ (decrease) in operating liabilities		
Trade payables	(6.92)	(4.81)
Other financial liabilities	7.32	10.85
Provisions	(8.00)	(15.85)
Other Non-financial liabilities	(0.17)	3.81
Cash generated from operations	788.56	630.02
Less : Income taxes paid (net of refunds)	209.01	174.05
Net cash inflow from operating activities	579.55	455.97
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	20.30	36.53
Dividend received	0.71	1.07
Sales proceeds from disposal of property, plant and equipments	0.05	0.05
Purchase of investments	(1,977.71)	(2,681.70)
Sale of investments	1,786.66	2,344.09
Proceeds from maturity of Fixed deposits placed with financial institution	51.32	(82.03)
Inter corporate deposit repayment	0.95	0.05
Inter corporate deposit given	-	-
Purchase of property, plant and equipments and Intangible assets	(6.82)	(19.67)
Net cash outflow from investing activities	(124.54)	(401.61)

Consolidated Statement of Cash Flow

for the period ended March 31, 2022

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issuance of Share Capital	122.27	92.37
Principal Element of Lease Payments	(18.29)	(21.27)
Interest Element of Lease Payments	(3.82)	(4.43)
Share Application money pending Allotment	0.28	0.53
Dividend paid (including dividend distribution tax)	(526.31)	(306.32)
Net cash outflow from financing activities	(425.87)	(239.12)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	29.14	(184.76)
Add : Cash and cash equivalents at the beginning of the year	18.78	203.54
Cash and cash equivalents at the end of the year	47.92	18.78

The accompanying notes are integral part of these financial statements.

This is the statement of cash flow referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

per Shrawan Jalan
Partner
Membership Number : 102102

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Ashvin Parekh
Director
DIN No. 06559989

Prateek Jain
Chief Financial Officer

Ajay Patel
Manager

Mumbai, April 26, 2022

Nilufer Shekhawat
Company Secretary

Consolidated Statement of changes in equity

for the period ended March 31, 2022

A. Equity share capital

For the year ended March 31, 2022

(₹ in crores)

Equity shares of INR 1 each issued, subscribed and fully paid	Number	Amount
As at April 01, 2021	61,65,04,767	616.50
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at April 01, 2021	61,65,04,767	616.50
Issue of share capital / ESOP	57,53,222	5.52
As at March 31, 2022	62,22,57,989	622.02

For the year ended March 31, 2021

(₹ in crores)

Equity shares of INR 1 each issued, subscribed and fully paid	Number	Amount
As at April 01, 2020	61,21,11,867	612.11
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at April 01, 2021	61,21,11,867	612.11
Issue of share capital / ESOP	43,92,900	4.39
As at March 31, 2021	61,65,04,767	616.50

B. Other equity

(₹ in crores)

Particulars	Reserves and surplus					Other comprehensive income		Total other equity
	Securities premium	General reserve	Surplus/ (deficit) in the statement of profit and loss	Foreign currency translation reserve	Share based options outstanding account	Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income	
As at March 31, 2020	576.57	96.98	1,199.45	43.82	63.45	6.10	(5.43)	1,980.94
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	576.57	96.98	1,199.45	43.82	63.45	6.10	(5.43)	1,980.94
Profit for the year	-	-	680.33	-	-	-	-	680.33
Other comprehensive income	-	-	-	-	-	-	0.72	0.72
Total comprehensive income for the year	-	-	680.33	-	-	-	0.72	681.05
Stock option expense for the year	-	-	-	-	40.37	-	-	40.37
Options lapsed during the year	-	0.94	-	-	(0.94)	-	-	-
- changes during the year	-	-	-	(0.20)	-	-	-	(0.20)
- Interim dividend on equity shares	-	-	(306.32)	-	-	-	-	(306.32)
Fresh issue of equity shares	99.61	-	-	-	(11.62)	-	-	87.99
As at March 31, 2021	676.18	97.92	1,573.46	43.62	91.26	6.10	(4.71)	2,483.83
Profit for the year	-	-	744.16	-	-	-	-	744.16
Other comprehensive income	-	-	-	-	-	-	(0.30)	(0.30)
Total comprehensive income for the year	-	-	744.16	-	-	-	(0.30)	743.86
- Share based payments:								
Stock option expense for the year	-	-	-	-	35.70	-	-	35.70
Options lapsed during the year	-	(0.01)	-	-	0.01	-	-	-
- changes during the year	-	-	-	1.96	-	-	-	1.96
- Interim dividend on equity shares	-	-	-	-	-	-	-	-
- Final dividend on equity shares	-	-	(217.41)	-	-	-	-	(217.41)
- Dividend on preference share	-	-	(308.90)	-	-	-	-	(308.90)
Fresh issue of equity shares	132.67	-	-	-	(15.92)	-	-	116.75
As at March 31, 2022	808.85	97.91	1,791.31	45.58	111.05	6.10	(5.01)	2,855.79

The accompanying notes are integral part of these financial statements.

This is the statement of changes in equity referred to in our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number : 102102

For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Prateek Jain
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Ashvin Parekh
Director
DIN No. 06559989

Ajay Patel
Manager

Mumbai, April 26, 2022

Significant Accounting Policies and Notes to Accounts

to the Consolidated Financial Statement for the year ended March 31, 2022

(Currency : Indian Rupees)

1 CORPORATE INFORMATION

Nippon Life India Asset Management Limited ('the Company') was incorporated on February 24, 1995.

The Company together with its subsidiaries (collectively, the Group) is primarily engaged as an investment manager to Nippon India Mutual Fund (Formerly Reliance Mutual Fund) ('the Fund') and to provide Portfolio Management Services ('PMS') and advisory services to clients under Securities and Exchange Board of India (SEBI) Regulations. The Company is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.

The equity shares of the Company were listed on National Stock exchange of India Limited and Bombay Stock exchange Limited on November 6, 2017.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments).
- Defined benefit plans – plan assets and
- Equity Settled share based payments

2.2 Basis of consolidation

The Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate. Control exists when the parent has power over the entity, is exposed or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the

entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the group companies are consolidated on line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests, which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

2.3 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, Plant & Equipment which are significant to total cost of that item of Property, Plant & Equipment and having different useful life are accounted separately.

Depreciation methods, estimated useful lives & residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

The estimated useful lives for the different types of assets are:

Asset	Useful Life
Furniture and fixtures	10 years
Office equipment	5 years
IT Equipments - Computers & printers	3 years
Vehicles	8 years

Leasehold improvements are amortized over the primary period of the lease on straight-line basis or useful life of asset, whichever is lower

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

2.4 Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, accumulated amortization and impairment losses, if any. Such costs include purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Acquisition of rights to manage and administer the schemes of Goldman Sachs Mutual Fund have been stated at cost net of impairment losses, if any.

2.5 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Leases

As a lessee

The Company has applied IND AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any

lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest

and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.7 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Executive Director who has been identified as the Chief Operating Decisions Maker.

2.8 Foreign Currency Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

2.9 Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction Costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

B. Subsequent Measurement

Financial Assets measured at Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying

amount of these assets is adjusted by any expected credit loss allowance recognized and measured as described in note 6. Interest income from these financial assets is recognized using the effective interest rate method.

Financial Assets measured at Fair Value Through Other Comprehensive Income: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Financial Assets measures at Fair Value Through Profit or Loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

C. Equity instruments

All equity investments are measured at fair value with value changes recognized in consolidated statement of profit and loss, except for those equity investments for which the group has elected to present the value changes in 'Other Comprehensive Income'.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/loss on fair value changes in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

D. Impairment of Financial Asset

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and with the exposure arising from loan commitments and financial guarantee contracts. The Group recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. ECL is measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized as an expense in the statement of profit or loss.

2.10 Financial Liabilities

A. Initial Recognition

All Financial liabilities are recognized at fair value and in case of borrowing/, net of directly attributable cost. Fees of recurring nature are directly recognized in the statement of profit and loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. Derecognition

Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.11 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- i. The amount of the loss allowance; and
- ii. The premium received on initial recognition less income recognized in accordance with the principles of Ind AS 115.

2.12 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied

Revenue Recognition for different heads of Income are as under:

- (i) Investment Management Fees (net of tax)

Investment Management fees are recognized on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average assets under management (AUM) of Nippon India Mutual Fund schemes.
- (ii) Advisory Fees (net of tax)

Advisory fees are recognized on an accrual basis in accordance with agreement entered into with respective investment managers / advisors.
- (iii) Portfolio Management Fees (net of tax)

Portfolio Management fees are recognized on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients.
- (iv) Interest income

Interest income is recognized using the effective interest rate.
- (v) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

2.13 Income Tax

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax Authorities, based on tax rates and laws that are enacted at the Balance sheet date.

Deferred Taxes

Deferred is recognized on temporary differences arising between carrying amounts of asset and liabilities in financial statements and corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.14 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdraft.

2.15 New fund offer expenses of mutual fund and PMS schemes

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for distribution cost which is recognized over the lock in period for investment in the schemes.

2.16 Fund expenses

Expenses incurred on behalf of schemes of Nippon India Mutual Fund are recognized in the statement of profit and loss under Fee and Commission, Marketing, advertisement and publicity and scheme expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred for the schemes of Nippon India Mutual Fund are charged to the statement of profit and loss under respective heads. Distribution cost is recognized over the lock in period for investment in the schemes.

2.16 Off-setting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognized as a finance cost.

2.18 Employee-Benefits Expense

(i) Short-term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the service.

(ii) Post-employment obligations

Defined contribution plans

The Company recognizes contribution payable to provident fund scheme as an expense, when the employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

Defined benefit plans

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds

that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) Other long-term employee benefit obligations

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit or loss.

Phantom Shares

As a long-term incentive plan to employees, the Company has initiated Phantom Stock Option Plan which are cash settlement rights where the employees are entitled to get cash compensation based on agreed formulae. The employees are entitled to receive cash payment equivalent to appreciation in the value over the defined base price of the shares. The present value of the obligation under such plan is determined based on actuarial valuation.

2.19 Share-based payments

Employee Stock Option Scheme (ESOS)

Equity settled share based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date.

Details regarding the determination of the fair value of equity settled share based payments transactions are set out in note 28.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognized in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Reliance Capital Asset Management Employees Benefit Trust

The Reliance Capital Asset Management Employees Benefit Trust is administered by the Company. The Company treats the trust as its extension and is consolidated in Company's financial statements. There are no shares pending to be allotted in the Trust.

2.20 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.21 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

Notes to consolidated financial statement

for the period ended March 31, 2022

3. Cash and cash equivalents

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	1.66	1.60
Balances with banks:		
In current accounts	46.26	17.18
Total	47.92	18.78

4. Bank balance other than cash and cash equivalents above

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
In earmarked accounts		
- Unclaimed dividend	0.35	0.20
- Unspent CSR Account	0.40	-
In deposit accounts		
Term deposits against the bank guarantee	15.60	15.60
Other term deposits	274.16	326.03
Total	290.51	341.83

5A. Trade receivables

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - unsecured	75.37	45.86
(less): Allowance for impairment loss	-	-
Total	75.37	45.86

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment					
	0- 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
Undisputed Trade Receivables – considered good	72.98	2.38	-	0.01	-	75.37
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-
Total	72.98	2.38	-	0.01	-	75.37

Particulars	Outstanding for following periods from due date of payment					
	0- 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021						
Undisputed Trade Receivables – considered good	44.73	1.06	-	0.07	0.00	45.86
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-
Total	44.73	1.06	-	0.07	0.00	45.86

5B. Other receivables

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good - unsecured	0.05	0.04
(less): Allowance for impairment loss	-	-
Total	0.05	0.04

6. Loans

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortized cost		
Term loans (unsecured)		
Loans and advances to employees	0.24	0.19
Loans and advances others	1.00	1.95
Total (A) - Gross	1.24	2.14
(Less): Impairment loss allowance	(0.87)	(1.41)
Total (A) - Net	0.37	0.73
Secured by property, plant and equipments	-	-
Secured by intangible assets	-	-
Covered by bank/government guarantees	-	-
Unsecured	1.24	2.14
Total (B) - Gross	1.24	2.14
(Less): Impairment loss allowance	(0.87)	(1.41)
Total (B) - Net	0.37	0.73
Loans in India		
- Public sector	-	-
- Others	1.24	2.14
Total (C) - Gross	1.24	2.14
(Less): Impairment loss allowance	(0.87)	(1.41)
Total (C) - Net	0.37	0.73

The details of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are

- repayable on demand or
- without specifying any terms or period of repayment.

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties (Subsidiary)	-	-	-	-

Reconciliation of ECL balance

(₹ in crores)

Particulars	Year ended March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	-	1.41	-	1.41
New assets originated / change in inputs to ECL model	-	(0.54)	-	(0.54)
Assets derecognized or repaid	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	-	0.87	-	0.87

(₹ in crores)

Particulars	Year ended March 31, 2021			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	-	1.39	-	1.39
New assets originated / change in inputs to ECL model	-	0.02	-	0.02
Assets derecognized or repaid	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	-	1.41	-	1.41

7. Investments

(₹ in crores)

Particulars	At amortized cost	At fair value through			Total
		Other comprehensive income	Profit and loss	Subtotal	
As at March 31, 2022					
Mutual funds	-	-	2,709.04	2,709.04	2,709.04
Debt securities	109.69	-	-	-	109.69
Equity Shares	-	-	9.55	9.55	9.55
Associates	13.98	-	-	-	13.98
Others	-	-	99.44	99.44	99.44
Total (A) - Gross	123.67	-	2,818.03	2,818.03	2,941.70
(Less): Impairment loss allowance	-	-	-	-	-
Total (A) - Net	123.67	-	2,818.03	2,818.03	2,941.70
Investments outside India	-	-	-	-	-
Investments in India	123.67	-	2,818.03	2,818.03	2,941.70
Total (B) - Gross	123.67	-	2,818.03	2,818.03	2,941.70
(Less): Impairment loss allowance	-	-	-	-	-
Total (B) - Net	123.67	-	2,818.03	2,818.03	2,941.70

(₹ in crores)

Particulars	At amortized cost	At fair value through			Total
		Other comprehensive income	Profit and loss	Subtotal	
As at March 31, 2021					
Mutual funds	-	-	2,349.60	2,349.60	2,349.60
Debt securities	109.86	-	-	-	109.86
Equity Shares	-	-	0.05	0.05	0.05
Associates	13.20	-	-	-	13.20
Others	-	-	77.24	77.24	77.24
Total (A) - Gross	123.06	-	2,426.89	2,426.89	2,549.95
(Less): Impairment loss allowance	-	-	-	-	-
Total (A) - Net	123.06	-	2,426.89	2,426.89	2,549.95
Investments outside India	-	-	-	-	-
Investments in India	123.06	-	2,426.89	2,426.89	2,549.95
Total (B) - Gross	123.06	-	2,426.89	2,426.89	2,549.95
(Less): Impairment loss allowance	-	-	-	-	-
Total (B) - Net	123.06	-	2,426.89	2,426.89	2,549.95

8. Other financial assets

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	10.43	10.03
Interest accrued on loans	0.34	0.14
Interest accrued on others	10.73	6.84
Accrued Fee Income	1.03	1.58
Units pending Allotment	-	0.50
Others	0.54	1.30
Total	23.07	20.39

9. Income tax assets (net)

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax paid in advance (net of provision)	37.64	35.21
Total	37.64	35.21

10. Property, plant and equipment

(₹ in crores)

Particulars	Data processing machineries	Vehicles	Office Equipments	Furniture and fixtures	Leasehold improvement	Total
Year ended March 31, 2021						
Gross carrying amount						
Cost as at April 1, 2020	32.64	1.39	10.63	2.78	18.17	65.61
Additions	6.74	1.86	0.57	0.05	-	9.22
Less: Disposals and transfers	18.94	-	6.75	1.94	6.68	34.31
Closing gross carrying amount	20.44	3.25	4.45	0.89	11.49	40.52
Accumulated depreciation						
Opening accumulated depreciation	28.08	1.30	8.81	2.24	16.00	56.43
Depreciation charge during the year	4.23	0.06	0.75	0.08	1.92	7.04
Less: Disposals and transfers	18.59	-	6.59	1.89	6.67	33.74
Closing accumulated depreciation	13.72	1.36	2.97	0.43	11.25	29.73
Net carrying amount as at March 31, 2021	6.72	1.89	1.48	0.46	0.24	10.79

(₹ in crores)

Particulars	Data processing machineries	Vehicles	Office Equipments	Furniture and fixtures	Leasehold improvement	Total
year ended March 31, 2022						
Gross carrying amount						
Cost as at April 1, 2021	20.44	3.25	4.45	0.89	11.49	40.52
Additions	1.07	2.31	0.60	0.08	0.26	4.32
Less: Disposals and transfers	2.74	0.29	0.45	0.11	0.18	3.77
Closing gross carrying amount	18.77	5.27	4.60	0.86	11.57	41.07
Accumulated depreciation						
Opening accumulated depreciation	13.72	1.36	2.97	0.43	11.25	29.73
Depreciation charge during the year	3.57	0.38	0.71	0.07	0.30	5.03
Less: Disposals and transfers	2.74	0.27	0.40	0.07	0.22	3.70
Closing accumulated depreciation	14.55	1.47	3.28	0.43	11.33	31.06
Net carrying amount as at March 31, 2022	4.22	3.80	1.32	0.43	0.24	10.01

11. Intangible assets

(₹ in crores)

Particulars	Right-of-use assets	Computer software / Licensing cost	Asset management rights	Total
Year ended March 31, 2021				
Gross carrying amount				
Cost as at April 1, 2020	96.73	19.35	250.14	366.23
Additions	3.63	10.44	-	14.07
Less: Disposals and transfers	30.67	3.10	-	33.77
Closing gross carrying amount	69.69	26.69	250.14	346.53
Accumulated amortization				
Opening accumulated amortization	24.25	17.41	10.14	51.79
Amortization during the year	22.52	3.71	-	26.23
Less: Disposals and transfers	18.36	3.11	-	21.46
Closing accumulated depreciation	28.41	18.01	10.14	56.56
Net carrying amount as at March 31, 2021	41.28	8.68	240.00	289.96
Year ended March 31, 2022				
Gross carrying amount				
Cost as at April 1, 2021	69.69	26.69	250.14	346.52
Additions	23.57	2.50	-	26.07
Less: Disposals and transfers	20.34	3.61	-	23.95
Closing gross carrying amount	72.92	25.58	250.14	348.64
Accumulated amortization				
Opening accumulated amortization	28.41	18.01	10.14	56.56
Amortization during the year	17.93	4.26	-	22.19
Less: Disposals and transfers	12.58	3.56	0.00	16.14
Closing accumulated depreciation	33.76	18.71	10.14	62.61
Net carrying amount as at March 31, 2022	39.16	6.87	240.00	286.03

12. Other non-financial asset

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to vendors	8.75	8.90
GST Input tax credit	17.15	15.69
Prepaid expenses	56.34	52.13
Others	1.58	0.66
Total	83.82	77.38

13 Trade payable

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	55.95	62.87
Total	55.95	62.87

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from suppliers regarding their status under the said act as available with the Company and relied upon by the auditors, is as follows:

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:		
- Principal amount	-	-
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment				
	0-1 years	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.79	0.20	0.48	0.46	2.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	1.79	0.20	0.48	0.46	2.93

Unbilled dues as on 31 March 2022 is 53.02 Crs.

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment				
	0-1 years	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.63	0.52	0.84	0.46	3.45
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	1.63	0.52	0.84	0.46	3.45

Unbilled dues as on March 31, 2021 is 59.42 Crs.

14. Other financial liabilities

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Other payables	75.03	67.86
Unclaimed dividend	0.35	0.20
Lease liability	47.17	51.47
Total	122.55	119.53

15. Provisions

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee benefits		
Leave encashment	3.14	2.98
Gratuity	0.99	-
Phantom Shares	7.64	11.73
Compensated Absence Cost	3.64	8.70
Total	15.41	23.41

16. Other non-financial liabilities

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue received in advance	7.21	7.32
Statutory dues	38.63	38.69
Total	45.84	46.01

17. Equity share capital

(₹ in crores)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	₹	Number	₹
Authorized shares				
Equity shares of ₹ 10 each	1,00,00,00,000	10,00.00	1,00,00,00,000	1,000.00
Preference shares of ₹ 100 each	30,00,000	3.00	30,00,000	3.00
Issued, subscribed & fully paid-up shares				
Equity shares of ₹ 10 each	61,65,04,767	6,16.50	61,21,11,867	612.11
Changes during the period	55,13,161	5.51	43,92,900	4.39
Total	62,20,17,928	6,22.02	61,65,04,767	616.50

a) Terms and 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 any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

The dividend proposed by the Board of Directors is subject to the approval of Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

b) Shares reserved for issue under options

Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in Note 28

c) Shares of the Company held by the holding/ultimate holding Company

Equity Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Nippon Life Insurance Company*	45,90,28,095	73.80	45,90,28,095	74.46

d) Details of Shareholders holding more than 5% of the shares in the Company

Equity Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Nippon Life Insurance Company*	45,90,28,095	73.80	45,90,28,095	74.46

e) Details of shares held by promoters
As at March 31, 2022

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Nippon Life Insurance Company*	45,90,28,095	-	45,90,28,095	73.80	-
Total		45,90,28,095	-	45,90,28,095	73.80	-

As at March 31, 2021

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Nippon Life Insurance Company*	45,90,28,095	-	45,90,28,095	73.80	-
Total		45,90,28,095	-	45,90,28,095	73.80	-

* Including shares held jointly with nominee Shareholders

18. Other Equity

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account	808.85	676.18
General reserve	97.91	97.92
Surplus in the statement of profit and loss	1,791.31	1,573.46
Share based options outstanding account	111.05	91.26
Foreign currency translation reserve	45.58	43.62
Other comprehensive income	1.09	1.39
Total	2,855.79	2,483.83

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium account		
Opening balance	676.18	576.57
Add/(Less) : Changes during the year		
Fresh issue of equity shares	132.67	99.61
Closing balance	808.85	676.18
General reserve		
Opening balance	97.92	96.98
Add/(Less) : Changes during the year		
Share based options outstanding account	(0.01)	0.94
Closing balance	97.91	97.92
Surplus/(deficit) in the statement of profit and loss		
Opening balance	1,573.46	1,199.45
Net profit for the period	744.16	680.33
Dividends -		
Interim dividend on equity shares	-	(306.32)
Final dividend on equity shares	(217.41)	-
Dividend on preference share	(308.90)	-
Closing balance	1,791.31	1,573.46
Share based options outstanding account		
Opening balance	91.26	63.45

Particulars	As at March 31, 2022	As at March 31, 2021
Add: Stock option expense for the year	35.70	40.37
Less: Transferred to General Reserve	0.01	(0.94)
Less: Fresh issue of equity shares	(15.92)	(11.62)
Closing balance	111.05	91.26
Foreign currency translation reserve		
Opening balance	43.62	43.82
Add/(Less) : Changes during the year	1.96	(0.20)
Closing balance	45.58	43.62

Other Comprehensive Income

(₹ in crores)

Particulars	Equity Instruments through Other Comprehensive Income	Others	Total
As at March 31, 2021	6.10	(4.71)	1.39
Remeasurements of post-employment benefit obligations	-	(0.30)	(0.30)
Deferred tax	-	-	-
As at March 31, 2022	6.10	(5.01)	1.09

Nature and purpose of reserve:

a) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

c) Share based options outstanding account

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

19. Revenue from operations

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Management Fees	1,262.72	1,019.88
Portfolio Management Fees (including advisory fees)	43.92	42.26
Total	1,306.64	1,062.14

20. Other Income

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income	24.39	28.55
Dividend income	0.71	1.07
Gain on sale of Investment	201.61	326.83
Miscellaneous income	2.28	0.75
Total	228.99	357.20

21. Employee benefits expenses

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	234.34	218.23
Contribution to provident and other funds	12.23	11.41
Employee stock option scheme	37.36	40.37
Staff welfare expenses	6.38	1.32
Total	290.31	271.33

22. Other expenses

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Marketing, advertisement and publicity	26.10	24.23
Outsourced business service	32.99	38.48
Legal and Professional charges	25.75	22.15
Information technology	35.80	48.79
Rent	0.56	0.90
Communication Costs	8.25	7.02
Office administration	13.02	12.75
Conveyance and travelling	0.83	0.79
Corporate Social Responsibility	13.17	13.46
Rates, taxes and energy costs	0.61	0.36
Repairs and maintenance	1.08	3.17
Filing fees and stamp duty	2.82	1.33
Seminar and training	0.16	0.38
Membership and subscription	5.94	5.00
Insurance	1.27	5.56
Printing and stationery	2.22	0.74
Director's fees allowances and expenses	1.20	0.64
Auditor's fees and expenses	0.65	0.68
Net loss on foreign currency transactions and translations	0.05	0.34
Expected credit loss (ECL)	(0.53)	0.02
Miscellaneous expenses	2.37	3.27
Total	174.31	190.06

a) Breakup of Auditors' remuneration

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Audit fees	0.50	0.51
Certification matters	0.10	0.10
Other matters	0.05	0.06
Out of pocket expenses	-	0.01
Total	0.65	0.68

b) Details of CSR expenditure:

(₹ in crores)

Details of CSR expenditure:	Year ended March 31, 2022	Year ended March 31, 2021	
a) Gross amount required to be spent by the Company during the year	12.90	13.44	
b) Amount approved by the Board to be spent during the year	13.17	13.46	
c) Amount spent during the year ending on March 31, 2022:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	13.17	-	13.17
d) Amount spent during the year ending on March 31, 2021:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	13.46	-	13.46

e) Details related to spent / unspent obligations:		March 31, 2022	March 31, 2021
i)	Contribution to Public Trust	5.77	13.46
ii)	Contribution to Charitable Trust	-	-
iii)	Unspent amount in relation to:		
	- Ongoing project	7.08	-
	- Other than ongoing project	-	-
iv)	Others*	0.32	
		13.17	13.46

*Includes Admin overheads of 0.32 cr

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	7.25	-	-	-	7.25

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	-	-	-

Details of excess amount spent:

Excess amount spent			
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
0.02	12.90	13.17	0.29

23. Income tax

a) The components of income tax expense for the years ended March 31, 2021 and March 31, 2022 are:

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	206.66	162.63
Adjustment in respect of current income tax of prior years	-	(5.22)
Deferred tax	38.64	40.22
Total	245.30	197.63

b) Deferred tax assets/liabilities

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

(₹ in crores)

Particulars	As at March 31, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Deferred tax liability:				
FVTPL of financial instruments	9.78	38.21	-	47.99
Brokerage	11.03	(2.85)	-	8.18
Total (a)	20.81	35.36	-	56.17
Deferred tax asset:				
Property, plant and equipment	5.74	(0.41)	-	5.33

(₹ in crores)

Particulars	As at March 31, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Gratuity	0.21	0.02	0.00	0.23
Leave Encashment	0.76	(0.01)		0.75
Compensated absence cost	0.85	1.30	-	2.15
Phantom Shares	7.89	(4.94)	-	2.95
FVTPL of financial instruments	-	-	-	-
Expenses allowable for tax purpose when paid	-	-	-	-
Impairment allowance for financial assets	0.53	(0.04)	-	0.49
IND AS 116 Leases	2.24	0.29		2.53
Other*	3.26	(1.07)		2.20
Total (b)	21.48	(4.86)	0.00	16.62
Net deferred tax (asset)/liability (a -b)	(0.67)	40.23	(0.00)	39.55

(₹ in crores)

Particulars	As at March 31, 2021	Charged/ credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
Deferred tax liability :				
FVTPL of financial instruments	47.99	30.65	-	78.64
Brokerage	8.18	3.81	-	11.99
Total (a)	56.17	34.46	-	90.63
Deferred tax asset :				
Property, plant and equipment	5.33	(0.27)	-	5.06
Gratuity	0.23	0.05	0.01	0.29
Leave Encashment	0.75	0.04		0.79
Compensated absence cost	2.15	(1.28)	-	0.87
Phantom Shares	2.95	(1.03)	-	1.92
FVTPL of financial instruments	-	(1.01)	-	(1.01)
IND AS 116 Leases	2.53	(0.52)	-	2.01
Impairment allowance for financial assets	0.49	(0.13)	-	0.36
Other	2.20	(0.03)	-	2.17
Total (b)	16.62	(4.18)	0.01	12.46
Net deferred tax (asset)/liability (a -b)	39.55	38.64	(0.01)	78.17

24. Employee benefit obligations

a) Defined contribution plans

The Company has recognized the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds.

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provident fund	7.64	7.17
Superannuation fund	0.07	0.07
Pension fund	1.42	1.53

b) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance Sheet

(₹ in crores)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	23.90	22.60	1.30
Current service cost	2.53	-	2.53
Interest expense/(income)	1.63	1.54	0.09
Return on plan assets (excl. Interest Income)	-	2.07	(2.07)
Actuarial loss / (gain) arising from change in financial assumptions	0.79	-	0.79
Actuarial loss / (gain) arising on account of experience changes	0.32	-	0.32
Liability Transferred In/ Acquisitions	0.07	-	0.07
Employer contributions	-	3.70	(3.70)
Benefit payments	(1.33)	(1.34)	0.01
As at March 31, 2021	27.91	28.57	(0.66)
Current service cost	2.72	-	2.72
Interest expense/(income)	1.80	1.84	(0.04)
Return on plan assets (excl. Interest Income)	-	0.45	(0.45)
Actuarial loss / (gain) arising from change in financial assumptions	(1.23)	-	(1.23)
Actuarial loss / (gain) arising from change in demographic assumptions	(0.00)	-	(0.00)
Actuarial loss / (gain) arising on account of experience changes	2.08	-	2.08
Liability Transferred In/ Acquisitions	-	-	-
Employer contributions	-	3.00	(3.00)
Benefit payments	(2.95)	(2.95)	(0.00)
As at March 31, 2022	30.33	30.91	(0.58)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of plan liabilities	30.33	27.91
Fair value of plan assets	30.91	28.57
Plan liability (net of plan assets)	-	-

ii) Statement of Profit and Loss

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee Benefit Expenses:		
Current service cost	2.72	2.53
Total	2.72	2.53
Net Interest Cost	(0.04)	0.09
Net impact on the profit before tax	2.68	2.62
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(0.45)	(2.07)
Actuarial gains/(losses) arising from changes in financial assumptions	(1.23)	0.79
Actuarial loss / (gain) arising on account of experience changes	2.08	0.32
Net impact on the other comprehensive income before tax	0.40	(0.96)

iii) Defined benefit plans assets

(₹ in crores)

Category of assets (% allocation)	As at March 31, 2022	As at March 31, 2021
Insurer managed funds		
- Government securities	55.16%	49.94%
- Deposit and money market securities	5.52%	6.02%
- Debentures / bonds	16.90%	24.54%
- Equity shares	21.40%	20.78%
- Others	1.02%	(1.28)%
Total	100.00%	100.00%

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.98%	6.44%
Salary escalation rate*	6.00%	6.00%

* Takes into account the inflation, seniority, promotions and other relevant factors

v) Demographic assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

vi) Sensitivity

(₹ in crores)

As at March 31, 2022	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1.00%	(2.08)	2.34
Salary escalation rate	1.00%	2.34	(2.11)
Employee Turnover	1.00%	0.11	(0.12)

As at March 31, 2021	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1.00%	(2.03)	2.02
Salary escalation rate	1.00%	2.29	(1.77)
Employee Turnover	1.00%	0.02	(0.08)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vii) Maturity

The defined benefit obligations shall mature after year end as follows:

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
1st Following Year	2.01	2.12
2nd Following Year	2.38	1.79
3rd Following Year	2.86	2.10
4th Following Year	2.37	2.49
5th Following Year	2.00	2.08
Sum of 6 to 10 Years	15.77	12.61
Sum of 11 Year and above	28.03	27.12

The weighted average duration of the defined benefit obligation is 10 years (previous year - 10 years)

These plans typically expose the Group to actuarial risks such as: Interest rate risk, salary risk, Investment risk, Asset Liability Matching risk, Mortality risk and Concentration risk.

- i) Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

- ii) **Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- iii) **Investment Risk:** 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. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- iv) **Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- v) **Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- vi) **Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

c) Phantom Stock Option Scheme:

- i) Details of phantom stock/units granted subject to the terms and conditions as per Phantom stock scheme:

Date of grant	December 01, 2015
Appreciation as per Phantom stock Option	Excess of 'fair market value of share on the date of exercise' / 'NAV of unit on the date of exercise' determined in term of the Phantom Stock Option Scheme over 'the Base Price' / 'the Base NAV'
Exercise Period	In case of continuation of employment: Vested Phantom Stock Options can be exercised any time up to 3 year from the date of last vesting of Phantom stock Options; and
	In case of cessation of employment : Different periods depending on kind of cessation as per provision of the Phantom Stock Option scheme.
Settlement of Phantom Stock Options	Within 90 days from the date of exercise by cash.

- ii) The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The Projected benefit obligation is calculated using Project Unit Credit Method. The valuation of the shares/units is done considering the intrinsic value and the progression of share/unit price up to the exercise of the option. Fair Value of Phantom Stock Options was estimated on the date of grant on the assumptions of Discount Rate of 6.77% and Expected Life of 5 years.
- iii) For the current year the Company has created provision of ₹ (4.09) crore (Previous year ₹ (19.60) crore).

25 Segment information

The Company is in the business of providing asset management services to the schemes of Nippon Mutual Fund and portfolio management service to clients. The primary segment is identified as asset management services. Portfolio management services does not qualify as reportable segment as per the criteria mentioned under Ind AS 108 and hence not disclosed separately.

26 Fair value measurement

a) Fair value hierarchy

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2022

(₹ in crores)

Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
At Amortised Cost					
Cash and cash equivalents	47.92	-	-	-	47.92
Investments	123.67	-	-	-	123.67
Bank balance other than cash and cash equivalents above	290.51	-	-	-	290.51
Receivables					
(I) Trade receivables	75.37	-	-	-	75.37
(II) Other receivables	0.05				0.05
Loans	0.37	-	-	-	0.37
Other financial assets	23.07	-	-	-	23.07
At Fair Value Through Profit/Loss					
Investments	-	2,709.26	80.47	28.30	2,818.03
Total financial assets	560.96	2,709.26	80.47	28.30	3,378.99
Financial liabilities					
At Amortised Cost					
Payables	55.95	-	-	-	55.95
Other financial liabilities	122.55	-	-	-	122.55
Total financial liabilities	178.50	-	-	-	178.50

As at March 31, 2021

(₹ in crores)

Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial assets					
At Amortized Cost					
Cash and cash equivalents	18.78	-	-	-	18.78
Investments	123.06	-	-	-	123.06
Bank balance other than cash and cash equivalents above	341.83	-	-	-	341.83
Receivables					
(I) Trade receivables	45.86	-	-	-	45.86
(II) Other receivables	0.04				0.04
Loans	0.73	-	-	-	0.73
Other financial assets	20.39	-	-	-	20.39
At Fair Value Through Profit/Loss					
Investments	-	2,355.31	71.58	-	2,426.89
Total financial assets	550.69	2,355.31	71.58	-	2,977.58
Financial liabilities					
At Amortized Cost					
Payables	62.87	-	-	-	62.87
Other financial liabilities	119.53	-	-	-	119.53
Total financial liabilities	182.40	-	-	-	182.40

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

27 Financial risk management

The Company activities expose it to credit risk, liquidity risk and market risk. The Company's risk management is carried out by a Risk department under the policies approved by the Board of Directors. The Risk team identifies, evaluates and highlights financial risks in close cooperation with the other departments.

A Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. The Company is also exposed to other credit risks arising from investments in debt securities. Credit risk is the one of the largest risk for the Company's business; management therefore carefully manages its exposure to credit risk.

1. The maximum exposure to credit risk at the reporting date is primarily from Cash & Cash Equivalents and Bank Fixed Deposit. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high
2. The Company has extended loans to various parties. Credit risk on the loans has been managed by the Company through external credit assessments done, if any, by domestic credit rating agencies and continuously monitoring the credit worthiness of the Company. The Company uses expected credit loss model to assess the impairment loss or gain. Refer note 6 for the same.
3. Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As the Company has a contractual right to such receivables as well as has the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behavior.

B Liquidity risk and funding management

Prudent liquidity risk management implies maintaining sufficient cash and liquid investments to meet payment obligations, when due, under all circumstances.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried in accordance with practice and limits set by the Company after giving due considerations to internal and external factors that could impact the liquidity position of the Company. Further, since the Company has no external borrowings and has sufficient cash and liquid investments to meet payment obligations, there is low liquidity risk.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarizes the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2022

(₹ in crores)

Contractual maturities of assets and liabilities	On demand	Upto 1 Year	1 to 5 years	Over 5 Years	Total
Financial assets					
Cash and cash equivalents	47.92	-	-	-	47.92
Bank balance other than cash and cash equivalents above	19.98	270.53	-	-	290.51
Receivables					
(I) Trade receivables	-	75.37	-	-	75.37
(II) Other receivables	-	0.05	-	-	0.05
Loans	-	0.37	-	-	0.37
Investments	2,469.05	51.55	120.02	301.08	2,941.70
Other financial assets	-	15.36	6.40	1.31	23.07
Total assets	2,536.95	413.23	126.42	302.39	3,378.99
Financial liabilities					
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	-	55.95	-	-	55.95
Subordinated Liabilities	-	-	-	-	-
Other financial liabilities	-	122.55	-	-	122.55
Total liabilities	-	178.50	-	-	178.50
Net	2,536.95	234.73	126.42	302.39	3,200.49

As at March 31, 2021

(₹ in crores)

Contractual maturities of assets and liabilities	On demand	Upto 1 Year	1 to 5 years	Over 5 Years	Total
Financial assets					
Cash and cash equivalents	18.78	-	-	-	18.78
Bank balance other than cash and cash equivalents above	0.20	326.13	15.50	-	341.83
Receivables					
(I) Trade receivables	-	45.86	-	-	45.86
(II) Other receivables	-	0.04	-	-	0.04
Loans	-	0.73	-	-	0.73
Investments	2,114.11	126.51	94.24	215.09	2,549.95
Other financial assets	-	14.53	4.65	1.20	20.39
Total assets	2,133.09	513.81	114.39	216.29	2,977.58
Financial liabilities					
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	-	62.87	-	-	62.87
Subordinated Liabilities	-	-	-	-	-
Other financial liabilities	-	119.53	-	-	119.53
Total liabilities	-	182.40	-	-	182.40
Net	2,133.09	331.41	114.39	216.29	2,795.19

C Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

i) Foreign currency risk

The Company has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

ii) Interest Rate Risk

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash flows of its financial instruments will fluctuate as a result of change in market interest rates. Tax Free Bonds held by the Company and loans extended by the Company to various parties are at fixed rate of coupon and accordingly the Company does not perceive any interest rate risk.

iii) Price risk

Exposure

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds, preference shares held by the Company and classified in the balance sheet at fair value through profit or loss (note 7).

Sensitivity Analysis

The table below summarizes the impact of increases/decreases of the Net Asset Value (NAV) on the Company's investment in Mutual fund and profit for the period. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's investments in mutual funds moved in line with the NAV.

(₹ in crores)

Particulars	Sensitivity of Profit or loss	
	As at March 31, 2022	As at March 31, 2021
NAV - Increase 5%	140.90	121.34
NAV - Decrease 5%	(140.90)	(121.34)

28 Employee share based payments

Employee stock option scheme (ESOS) (Equity settled)

The Company have ESOS 2017 and ESOS 2019 which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till four years as per Plan. Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS :

	ESOS 2017			ESOS 2019			
	ESOS 2017 - I	ESOS 2017 - II	ESOS 2017 - III	ESOS 2019 - I	ESOS 2019 - II	ESOS 2019 - III	ESOS 2019 - IV
Date of Grant	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Price of Underlying Stock (₹)	145.10	253.90	202.35	227.40	278.10	405.35	397.95
Exercise / Strike Price (₹)	204.25	256.10	202.35	223.32	247.60	372.71	389.28

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

Risk Free Interest Rate	6.20%-6.34%	7.06%-7.15%	6.32%-6.55%	6.22%-6.45%	4.37%-4.88%	5.49%-5.99%	5.48%-5.98%
Expected Dividend Yield	3.09%	3.25%	2.97%	3.22%	1.98%	2.54%	2.01%
Expected Life (years)	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50	4.00 to 5.50
Expected Volatility	13.92% to 20.81%	14.21%	16.66%	16.46%	16.17%	12.92%	12.92%
Weighted Average Fair Value (₹)	10.82	45.71	38.94	43.06	65.51	85.73	78.29

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

(As certified by the management)

Particulars	No. of stock options as at March 31, 2022						
	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Date of Grant							
Outstanding at the beginning of the year	22,85,671	35,68,514	90,38,455	1,60,77,143	4,69,772	-	-
Granted during the year	-	-	-	-	-	54,30,538	77,065
Exercised during the year	15,52,510	10,46,744	14,74,776	14,27,914	29,143	-	-
Forfeited during the year	-	-	-	-	-	-	-
Lapsed/expired during the year	-	52,316	1,72,889	1,76,746	47,282	1,88,966	-
Outstanding at the end of the year	7,33,161	24,69,454	73,90,790	1,44,72,483	3,93,347	52,41,572	77,065
Vested and exercisable	7,33,161	16,07,414	24,59,601	60,74,830	81,374	-	-

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Expiry date	August 08, 2024	April 25, 2025	April 29, 2026	August 01, 2026	June 10, 2027	July 19, 2028	August 07, 2028
Exercise price	204.25	256.10	202.35	223.32	247.60	372.71	389.28
Outstanding as at March 31, 2022	7,33,161	24,69,454	73,90,790	1,44,72,483	3,93,347	52,41,572	77,065
Outstanding as at March 31, 2021	22,85,671	35,68,514	90,38,455	1,60,77,143	4,69,772	-	-

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The options granted for no consideration and will vest upon the completion of service condition as specified in scheme in graded manner. Vested options are exercisable for the period of five years after the vesting.

The model inputs for options granted are as under:

Assumptions	ESOS 2017 - I	ESOS 2017 - II	ESOS 2017 - III	ESOS 2019 - I	ESOS 2019 - II	ESOS 2019 - III	ESOS 2019 - IV
Expected - Weighted average volatility	13.92% to 20.81%	14.21%	16.66%	16.46%	16.17%	12.92%	12.92%
Expected dividends	3.09%	3.25%	2.97%	3.22%	1.98%	2.54%	2.01%
Expected term (In years)	4	4	4	4	4	4	4
Risk free rate	6.20%-6.34%	7.06%-7.15%	6.32%-6.55%	6.22%-6.45%	4.37%-4.88%	5.49%-5.99%	5.48%-5.98%
Exercise price	204.25	256.10	202.35	223.32	247.60	372.71	389.28
Market price	145.10	253.90	202.35	227.40	278.10	405.35	397.95
Grant date	August 08, 2017	April 25, 2018	April 29, 2019	August 01, 2019	June 10, 2020	July 19, 2021	August 07, 2021
Expiry date	August 08, 2024	April 25, 2025	April 29, 2026	August 01, 2026	June 10, 2027	July 19, 2028	August 07, 2028
Fair value of the option at grant date	10.82	45.71	38.94	43.06	65.51	85.73	78.29

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee stock option scheme (equity settled)	37.36	40.37

29 Related party transactions

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

(i)	Sr No.	Name of Related Party
	I	Holding Company
	1	Nippon Life Insurance Company
	II	Key Managerial Personnel
	A	Executive Director & CEO
	1	Sundeep Sikka
	B	Non-Executive Director
	1	Ameeta Chatterjee
	2	General Ved Prakash Malik (Retd.)
	3	Akira Shibata
	4	Kazuyuki Saigo (Appointed w.e.f. 8th June 2020)
	5	Ashvin Parekh (Appointed w.e.f. 1st August 2020)
	6	Balasubramanyam Sriram (Appointed w.e.f. 15th March 2021)
	7	Yutaka Ideguchi (Appointed w.e.f. 15th March 2021)
	8	Minoru Kimura (upto 8th June 2020)
	9	Mahadevan Veeramony (Appointed w.e.f. 23rd September 2019 upto 1st August 2020)
	III	Subsidiary
	1	Nippon Life India Asset Management (Singapore) Pte. Ltd.
	2	Nippon Life India Asset Management (Mauritius) Ltd.
	3	Nippon Life India AIF Management Limited
	IV	Associate
	1	Reliance Capital Pension Fund Limited
	V	Subsidiary of Holding Company
	1	Nissay Asset Management Corporation
	2	Nippon Life Global Investors Americas, Inc.
	VI	Associate of Holding Company
	1	Reliance Nippon Life Insurance Company Limited
	VII	A Private Company in which a Director or Manager or his relative is a member or Director
	1	CMS IT Services Private Limited

(ii) Transactions during the year with related parties:

(₹ in crores)

Sr. No.	Name of Related Party	Description of Transactions/ Categories	2021-2022		2020-2021	
			Transaction for the Year*	Outstanding amt. carried to Balance sheet	Transaction for the Year*	Outstanding amt. carried to Balance sheet
1	Sundeeep Sikka	(i) Remuneration paid to Sundeeep Sikka	6.89	-	5.51	-
2	Ameeta Chatterjee	(i) Sitting fees	0.24	-	0.16	-
3	Mahadevan Veeramony	(i) Sitting fees	-	-	0.06	-
4	General Ved Prakash Malik (Retd.)	(i) Sitting fees	0.23	-	0.18	-
5	Balasubramanyam Sriram	(i) Sitting fees	0.28	-	-	-
6	Ashvin Dhirajlal Parekh	(i) Sitting fees	0.27	-	0.14	-
7	Reliance Capital Pension Fund Limited	(i) Reimbursement of expenses charged	0.06	0.02	0.10	-
8	Reliance Nippon Life Insurance Company Limited	(i) Insurance Charges (net of claims received)	5.01	-	5.79	-
		(ii) Reimbursement of expenses paid	0.55	-	0.30	-
		(iii) Payment of funded gratuity	3.00	-	3.70	-
		(iv) Advance towards insurance policies	-	0.31	-	0.05
9	Nissay Asset Management Ltd	(i) Advisory Fees Income	10.61	-	13.86	-
		(ii) Offshore Advisory fee paid	0.87	-	0.28	-
		(iii) Advisory Fee Receivable	-	0.42	-	0.55
10	CMT IT Services	(i) Charges for IT Related services	0.06	-	0.51	-

*Note: Above figures are excluding GST

30. Lease

Right to use of asset

(₹ in crores)

Particulars	Property	Motor Vehicles	Total
As at April 01, 2020			
Opening	71.84	0.64	72.48
Additions	3.63	-	3.63
Deletion	(12.32)	-	(12.32)
Depreciation expense	(22.34)	(0.18)	(22.52)
As at March 31, 2021	40.82	0.46	41.28
Additions	23.57	-	23.57
Deletion	(7.76)	-	(7.76)
Depreciation expense	(17.76)	(0.18)	(17.93)
As at March 31, 2022	38.87	0.29	39.16

Lease liability

(₹ in crores)

Particulars	Amount
As at April 01, 2020	
Opening (Transition to IND AS 116)	81.43
Additions (net)	(8.69)
Accretion of interest	4.43
Payments	(25.70)
As at March 31, 2021	51.47
Additions / deletion (net)	13.99
Accretion of interest	3.82
Payments	(22.11)
As at March 31, 2022	47.17

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	17.93	22.52
Interest expense on lease liabilities	3.82	4.43
Expense relating to short-term leases (included in other expenses)	0.56	0.90
Total amount recognised in profit or loss	22.31	27.85

Some of the leases contain extension and termination options. Such options are considered while determining the lease term only.

31. Capital work in progress (CWIP) Ageing Schedule

(₹ in crores)

As at March 31, 2022	Amount in CWIP for a period of				Total
	0- 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.05	-	-	-	0.05
Projects temporarily suspended	-	-	-	-	-
Total	0.05	-	-	-	0.05

(₹ in crores)

As at March 31, 2021	Amount in CWIP for a period of				Total
	0- 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.65	0.66	-	-	1.31
Projects temporarily suspended	-	-	-	-	-
Total	0.65	0.66	-	-	1.31

32. Investment in subsidiaries

a) The consolidated financial statements of the group includes subsidiaries listed in the table below.

Name of subsidiary	Country of incorporation	% equity interest	% equity interest
		March 31, 2022	March 31, 2021
Nippon Life India Asset Management (Singapore) Pte. Ltd.	Singapore	100.00	100.00
Nippon Life India Asset Management (Mauritius) Ltd	Mauritius	100.00	100.00
Nippon Life India AIF Management Limited	India	100.00	100.00

33. Investment in associate

The group has a 49% interest in Reliance Capital Pension Fund Limited, which is registered as a "Pension Fund Manager" with the Pension Fund Regulatory and Development Authority (PFRDA) to act as a pension fund manager to manage the pension assets under the New Pension System (NPS). The group's interest in Reliance Capital Pension Fund Limited is accounted for using the equity method in the consolidated financial statements. The following are the group's share in the profit of the associate:

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(loss) before tax	1.57	2.38
Profit/(loss) for the year	1.61	1.95
Other comprehensive income	(0.01)	(0.01)
Total comprehensive income for the year	1.60	1.94

34. Additional Information:

March 31, 2022

(₹ in crores)

Particulars	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent	95.88%	3,368.88	95.58%	711.18
Subsidiaries				
Indian				
Nippon Life India AIF Management Limited	2.29%	80.73	3.52%	26.19
Foreign				
Nippon Life India Asset Management (Singapore) Pte. Ltd.	1.06%	37.34	0.79%	5.86
Nippon Life India Asset Management (Mauritius) Ltd	0.76%	26.64	0.01%	0.06
Associates (Investment as per the equity method)				
Indian				
Reliance Capital Pension Fund Limited	0.00%	-	0.11%	0.79
Total	100.00%	3,513.59	100.00%	744.08

March 31, 2021

(₹ in crores)

Particulars	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent	96.48%	2,991.32	95.42%	649.19
Subsidiaries				
Indian				
Nippon Life India AIF Management Limited	1.70%	52.88	4.08%	27.74
Foreign				
Nippon Life India Asset Management (Singapore) Pte. Ltd.	0.98%	30.49	0.39%	2.64
Nippon Life India Asset Management (Mauritius) Ltd	0.83%	25.64	(0.02%)	(0.17)
Associates (Investment as per the equity method)				
Indian				
Reliance Capital Pension Fund Limited	0.00%	-	0.14%	0.94
Total	100.00%	3,100.33	100.00%	680.34

35. Dividend during the year

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Dividend during the year		
Dividends on ordinary shares:		
Final dividend for FY 2019-20: 1 per share	-	-
Interim dividend for FY 2020-21: 3 per share	-	122.42
Final dividend for FY 2020-21: 5 per share	308.90	183.90
Interim dividend for FY 2021-22: 3.50 per share	217.41	-
Total dividends paid	526.31	306.32
B. Proposed (not recognized as a liability)		
Dividend on ordinary shares:		
*Final dividend for FY 2021-22: 7.50 per share (FY 2020-21: 5.00 per share)	466.51	308.25

*Based on the outstanding number of equity share as on the proposed date

36. Earnings per share (EPS)

a) The basic earnings per share has been calculated based on the following:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax available for equity Shareholders (Rs in Crore)	744.16	680.33
Weighted average number of equity shares	62,00,04,419	61,65,04,767

b) The reconciliation between the basic and the diluted earnings per share is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic earnings per share	12.00	11.04
Effect of outstanding stock options	(0.20)	(0.13)
Diluted earnings per share	11.80	10.90

c) Weighted average number of equity shares is computed for the purpose of calculating diluted earning per share, after giving the dilutive impact of the outstanding stock options for the respective years.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of shares for computation of Basic EPS	62,00,04,419	61,65,04,767
Dilutive effect of outstanding stock options	1,04,52,531	75,93,159
Weighted average number of shares for computation of Diluted EPS	63,04,56,950	62,40,97,926

37. Contingent liabilities

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims not acknowledged as debts in respect of:		
- Guarantees to banks and financial institutions	11.30	10.13
- Claims against Company not acknowledged as debt	3.25	2.20

38. Capital commitments

(₹ in crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)	38.01	52.16

39. Expenditure in foreign currency

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Travelling Expenses	0.02	0.09
Legal & Professional Fees	2.02	1.52
Salary and benefits	1.95	2.13
Membership and subscription	0.08	0.08
Brokerage	0.03	0.05
Other expenses	2.99	2.76
Total	7.09	6.62

Earning in foreign currency

(₹ in crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Advisory fees	12.77	13.80
Total	12.77	13.80

40. The details of utilization of IPO proceeds ₹ 588.85 crore (net of IPO related expenses) are as follows:

(₹ in crores)

Particulars	Net Proceeds as per IPO	Utilized upto March 31, 2022	Unused amount as of March 31, 2022
Setting up new branches and relocating certain existing branches	38.31	4.62	33.69
Upgrading the IT system	40.65	40.65	-
Advertising, marketing and brand building activities	72.09	62.60	9.49
Lending to our Subsidiary (Nippon Life India AIF Management Limited) for investment of continuing interest in the new AIF schemes managed by Reliance AIF Management Company Limited	125.00	78.65	46.35
Investing towards our continuing interest in new mutual fund schemes managed by us	100.00	100.00	-
Funding inorganic growth and strategic initiatives	165.00	-	165.00
General corporate purposes	47.80	47.80	-
Total	588.85	334.32	254.53

Management continues to evaluate market conditions, changing business dynamics and the competitive landscape so as to ensure optimal utilisation of the IPO Proceeds in the subsequent periods, in accordance with the objectives as stated in the IPO Prospectus.

41. Key Financial Ratios

Ratio	Year ended March 31, 2022	Year ended March 31, 2021	% Variance
Return on equity ratio*	22.60%	23.87%	(5%)
Trade receivables turnover ratio**	21.56	20.20	7%
Return on capital employed***	29.52%	30.35%	(3%)

*Net Profit after tax/Average Shareholder's Equity

**Net Credit sales/Average Trade Receivable

***Earnings before interest and taxes/Capital Employed

42. The Company do not have any transactions with struck off companies.
43. The Company has not borrowed any fund from bank or financial Institution or other lender hence disclosure in relation to Wilful defaulter is not applicable.
44. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
45. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
46. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
47. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
48. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

49. As part of the long-term strategy to consolidate offshore operations, the activities undertaken by Mauritius subsidiary were transferred to Singapore entity. Accordingly, the Board has accorded its approval for initiating the liquidation process of the Mauritius subsidiary.
50. The Code on Social Security 2020, relating to employee benefits during employment and post-employment, has been notified in the Official Gazette on 29th Sep 2020, which could impact the contributions made by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
- 51. Events occurring after the reporting period**
- The Board of Directors have proposed final dividend of ₹ 7.50/- per equity share of ₹ 10/- each for the financial year 2021-22. This is in addition to the interim dividend of ₹ 3.50/- per equity share declared by the Board of Directors on October 26, 2021.
52. The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number : 102102

Mumbai, April 26, 2022

**For and on behalf of the Board of Directors of
Nippon Life India Asset Management Limited**

Sundeep Sikka
Executive Director & CEO
DIN No. 02553654

Prateek Jain
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Ashvin Parekh
Director
DIN No. 06559989

Ajay Patel
Manager

FORM AOC - I

Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.
Statement containing salient features of the financial statement of subsidiaries and associate as on March 31, 2022

Part "A": Subsidiaries

(₹ in crores)

Sr. No.	Name of the subsidiaries	Nippon Life India Asset Management (Mauritius) Ltd	Nippon Life India Asset Management (Singapore) Pte. Ltd.	Nippon Life India AIF Management Limited
1	Reporting currency	USD	SGD	INR
2	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR 75.81	INR 56.06	-
3	Share / Unit capital	14.86	32.19	0.51
4	Other Equity	11.78	5.14	80.22
5	Total assets	28.45	44.38	152.90
6	Total Liabilities	1.81	7.04	72.17
7	Investments	-	0.22	99.21
8	Total Income	0.08	40.86	81.61
9	Profit before taxation	0.06	5.86	37.27
10	Provision for taxation	-	-	11.08
11	Profit after taxation	0.06	5.86	26.19
12	Other Comprehensive Income	-	-	(0.03)
13	Total Comprehensive Income	0.06	5.86	26.17
14	Proposed Dividend	-	-	-
15	% of shareholding	100%	100%	100%

Part "B": Associate

Sr. No.	Name of Associate	Reliance Capital Pension Fund Limited
1	Latest audited Balance Sheet Date	31-Mar-22
2	Shares of Associate / Joint Ventures held by the Company on the year end	
i.	Number of shares	12,249,994
ii.	Amount of Investment in Associates/Joint Venture (₹ in Crore)	12.73
iii.	Extend of Holding %	49%
3	Description of how there is significant influence	Refer Note '1'
4	Reason why the associate/joint venture is not consolidated	-
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crore)	14.85
6	Profit / Loss for the year	
i.	Considered in Consolidation (₹ in Crore)	0.79
ii.	Not Considered in Consolidation (₹ in Crore)	-

Note:

1 There is significant influence due to percentage (%) of voting power.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number : 102102

Mumbai, April 26, 2022

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Company Secretary

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Director
DIN No. 06559989

Ajay Patel
Manager

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