

PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

AMCs are required to disclose penalties, pending litigation etc. for the last 5 financial years and wherever the amount of penalty is more than 5 lakhs

1. Penalties and action(s) taken against foreign Sponsor(s) limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Also, top 10 monetary penalties of foreign sponsor(s) during the last three years: **None**
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

- **Past penalty against Groww Asset Management Limited**

SEBI has passed settlement order (settlement amount of Rs. 9 lacs) against Groww Asset Management Limited and Groww Trustee Limited w.r.t Indiabulls Mutual Fund (now known as Groww Mutual Fund) wherein certain scheme related expenses were borne by Indiabulls Asset Management Company Limited during period April 01, 2020 to March 31, 2022 (as mentioned in the SEBI Settlement Order). Groww acquired Indiabulls Mutual Fund on May 3, 2023 and thought fit to settle the said matter relating to Indiabulls Mutual Fund. Indiabulls Mutual Fund is now known as Groww Mutual Fund.

Apart from above, under its normal course of operations & periodic inspections Groww Asset Management Limited had received certain notices, warning, advisory, deficiency and letter, which were addressed, remedied and closed, from time to time.

- **Past penalty against the Billionbrains Garage Ventures Limited (Formerly known as Billionbrains Garage Ventures Private Limited) (BGV) (Sponsor):- pls update the status**

The Company held a corporate agency license registered with the Insurance Regulatory and Development Authority of India (IRDAI). Under the said license, IRDAI imposed a penalty of INR 5,00,000 (Indian Rupees Five Lakhs Only) on BGV under certain provisions of the IRDAI (Registration of Corporate Agents) Regulations, 2015 which was paid by BGV on July 01 2024. As on date, the corporate agency license of BGV stands surrendered.

- **Past penalty against Groww Invest Tech Private Limited- pls update (if any)**

1. A thematic inspection of technical glitches was conducted by SEBI, along with the NSE of our fellow subsidiary, Groww Invest Tech Private Limited (a SEBI registered stock broker) on May 3, 2024 for the period of April 1, 2022 to March 31, 2024, wherein a letter dated May 16, 2024 noting findings and observations was issued by SEBI. Groww Invest Tech Private Limited submitted a letter dated May 22, 2024 providing its comments and explanations for the findings. Subsequently, SEBI issued a show cause notice dated October 11, 2024 relating to allegations of (i) non-compliance with of certain circulars issued by SEBI on the implementation of logging and monitoring systems in electronic trade systems of stock brokers, (ii) non-existence of call and trade facility, and (iii) non-compliance with provisions pertaining to vulnerability assessment, penetration testing and identification of critical and non-critical assets. Further, it sought that Groww Invest Tech Private Limited show cause as to why an inquiry should not be held against it in terms of Rule 4 of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the Securities and Exchange Board of India Act and as to why a penalty were not to be imposed under Section 15HB of the Securities

and Exchange Board of India Act. Groww Invest Tech Private Limited, had filed a settlement application dated November 30, 2024 with SEBI, requesting for settlement of the proceedings arising from the aforesaid said show cause notice without admitting or denying any of the alleged violations. Subsequently, through a letter dated February 7, 2025, Groww Invest Tech Private Limited proposed revised settlement terms upon payment of ₹ 3.41 million as settlement amount, which was approved by SEBI in its letter dated May 5, 2025. Thereafter, SEBI in its order dated May 13, 2025 disposed of the matter.

2. SEBI conducted an inspection of books of accounts and other records of our fellow subsidiary, Groww Invest Tech Private Limited from November 22, 2023 to November 25, 2023 for the period of April 1, 2022 to September 30, 2023, and issued a letter dated March 12, 2024 noting its findings and observations. Groww Invest Tech Private Limited submitted letters dated March 26, 2024 and April 3, 2024 providing its comments and explanations to the findings. Subsequently, SEBI issued a show cause notice dated November 25, 2024 in respect of allegations relating to (i) non-compliance with respect to reporting with respect to monthly/quarterly settlement of client funds and securities, (ii) non-compliance with provisions pertaining to trading systems, terminal certification, and technical glitches; (iii) certain non-compliances with respect to due diligence of clients, their business and risk profile, and where necessary, the client's source of funds. Further, it sought that Groww Invest Tech Private Limited show cause as to why an inquiry should not be held against it in terms of Rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the Securities and Exchange Board of India Act and a penalty were not to be imposed under Section 15HB of the Securities and Exchange Board of India Act and Section 23H of the Securities Contract and (Regulation) Act, 1956. Groww Invest Tech Private Limited, had filed a settlement application dated January 24, 2025 filed with SEBI, requesting for settlement of the proceedings arising from the aforesaid said show cause notice, without admitting or denying any of the alleged violations. Subsequently, through a letter dated February 21, 2025, Groww Invest Tech Private Limited proposed revised settlement terms upon payment of ₹ 4.78 million as settlement amount, which was approved by SEBI in its letter dated May 5, 2025. Thereafter, SEBI in its order dated May 14, 2025 disposed of the matter.

Apart from above, Groww Invest Tech Private Limited had received under its normal course of operations & periodic inspections certain notices, warning and financial disincentive/penalties from SEBI and/or Stock Exchanges, Depositories & Clearing Corporations, which were addressed, remedied and closed, from time to time.

3. Details of all enforcement actions(Including the details of violation, if any) taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. None
3. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party. **Nil.**
4. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or notified by any other regulatory agency. **Nil.**

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 2026 and the guidelines there under shall be applicable.