

Eighth Annual Report

2015 - 16



SBI Pension Funds Private Limited

Future Secure

SBI Pension Funds Pvt. Ltd.
Eighth Annual Report
2015 - 2016

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Board of Directors		
1.	Smt. Arundhati Bhattacharya	- Chairman
2.	Shri V. G. Kannan	- Nominee Director
3.	Shri. Mayur Kisnadwala	- Director
4.	Shri. V. K. Gupta	- Director
5.	Shri Mahesh P. Mehrotra	- Director
6.	Prof. Gitika Kapoor	- Director
7.	Shri Shailendra Kumar	- Managing Director & CEO

Regd. Office :

SBI Pension Funds Private Limited

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SBI PENSION FUNDS PVT LTD
Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Eighth Annual Report together with the audited accounts of the Company for the year ended March 31, 2016.

Financial Performance:-

The highlights of the financial results of your Company for the accounting year ended March 31, 2016 are as under:

(₹ In lacs)

Description	Year ended March 31, 2016	Year ended March 31, 2015
Operating Income	388.87	441.01
Expenses	584.38	453.77
Operating Profit / (Loss)	(195.51)	(12.77)
Other Income	270.58	306.66
Profit / (Loss) before tax	75.07	293.90
Provision for Tax (including deferred tax)	24.51	94.58
Profit / (Loss) after tax	50.56	199.32
Balance brought forward from Previous Year	358.51	159.19
Balance carried to Balance Sheet	407.59	358.51

Capital Adequacy:-

The Regulators, the Pension Fund Regulatory and Development Authority (PFRDA), have not prescribed any Capital Adequacy Ratio for the Pension Fund Industry. However, w.e.f. 01.11.2012, Pension Fund Managers are required to maintain minimum positive Net Worth of Rs. 25 crores. The Net Worth of your Company as on 31 March 2016 stood at Rs 34.07 crores.

Capital:-

The authorised share capital of the Company is Rs.100 Crores. The paid up capital of the Company as on March 31, 2016 stood at Rs.30 crores comprising of 3 crores equity shares of Rs.10/- each fully paid. The shareholding pattern is as under:-

Name of Shareholder	% of Holding
State Bank of India	60%
SBI Funds Management Pvt. Ltd.	20%
SBI Capital Markets Ltd.	20%

Dividend:-

The Company has posted a Profit After Tax of Rs. 50.56 Lacs for the year ended March 31, 2016. Considering the future requirement of capital for the Company, your Board has not proposed any dividend for the year.



Business Environment :-

Global

U.S. economy grew in fourth quarter of CY15 with a pace faster than previously estimated. It increased by annualized 1.4% in Q4 CY15 supported by recovery in consumer demand. Euro zone supported by investment pick up and higher domestic spending grew by 0.3% QoQ in the Q4 CY15 in line with previous quarter. Japan reported contraction of annualized 1.1% in Q4 CY15 largely due to private consumption remaining weak.

Challenges for emerging markets have not yet subsided. China which was the growth engine for the world economy in the last decade witnessed slow growth of 6.8% YoY for Q4 CY16. Brazil and Russia impacted by slowdown in China and commodity prices continued to show negative growth of -1.4% QoQ and -0.6% QoQ, respectively in Q4 CY15. Inflation remained low across the developed world with US reporting inflation of 1.0% and Eurozone slipping into negative (-0.1%). Commodity prices after long downward spiral remained stable in the current quarter with Bloomberg commodity index marginally up by 0.3% in Q1 CY16. (GDP and Inflation for Countries sourced from Economictrading.com Bloomberg Commodity Index from Bloomberg)

Domestic :-

Growth

India reported GDP growth of 7.3% YoY during Q3 FY16, lower than the 7.7% YoY expansion in Q2 FY16 but an improvement relative to the 6.6% YoY in same quarter of previous year. The dip in gross value added (“GVA”) growth in sequential quarters was led primarily by contraction in agriculture in line with the weak kharif harvest. GVA growth was 9.2% YoY in Q3FY16 from 8.3% YoY in Q2FY16, excluding agriculture. Robust 43.3% YoY expansion in the Union Government’s capital expenditure was offset by slow growth of Private Investments which was at five-quarter low 2.8% in Q3FY16.

IIP data which has been indicator of growth, has contracted by 1.5% YoY in January 2016 after reporting strong growth of 9.9% YoY in October 2015. Contraction has been primarily on account of massive decline in output of capital goods. While the contraction in output in November 2015 was led by a fewer number of working days, the persistence of this trend in the following month can be partly attributed to the adverse impact of floods in parts of southern India.

(GDP and IIP data Ministry of Statistics and Programme Implementation (MOSPI))

Inflation

CPI for the month of February 2016 at 5.2% declined from 5.4% in November 2015. Decline in inflation was triggered by fall in food inflation from 6.1% in November 2015 to 5.5% in February 2016 after touching a high of 6.7% in January 2016. Inflation



in services sector which includes health, transport, communication, recreation, education and personal care, has continuously hardened during this period. WPI decreased from -2.0% in November 2015 to -1.0% in February 2016. Core WPI has also gone down from -1.9% in November 2015 to -1.7% in February 2016.

(Data sourced from MOSPI)

Fiscal Deficit

The Government in its budget for FY17 remained committed to fiscal consolidation. In the budget FY17, the government had estimated the fiscal deficit for FY16 at Rs.5.35 lakh crore, or 3.9% of GDP. India's gross fiscal deficit for FY16 could be 6.9% of GDP, wider than the budget estimate of 6.3%, largely due to slippages in States budget. The aggregate fiscal deficit for all States will be 2.7% of GDP, wider than the official estimate of 2.3% for FY16. The spoilers for the State Budget for FY17 could be the twin burdens of the wage hikes following the awards of the pay commissions of the States and the interest bill on UDAY (Ujwal DISCOM Assurance Yojana) bonds. The government sent positive signal to investors by committing to achieve fiscal target of 3.5% for FY17. (Data sourced from Controller General of Accounts - CGA).

External Sector

India's current-account deficit (CAD) in the Q3FY16 narrowed to 1.3% of the GDP (\$7.1bn) compared to 1.7% of GDP (\$8.7bn) for previous quarter and 1.5% of GDP (\$7.7bn) for same period of previous year. The contraction in CAD can be attributed to lower trade deficit of \$34 bn for Q3 FY16 as against \$37.4 bn in the previous quarter. On a cumulative basis, the CAD narrowed to 1.4% of GDP in April-December FY16 from 1.7% in the corresponding period of FY15.

(Data sourced from RBI)

Outlook

The recovery in major high-income countries gained traction in CY16. This has been increasingly driven by stronger domestic demand, particularly in the United States, where employment conditions are healthy. In the Euro Area, credit growth is picking up and unemployment is declining supported by government stimulus. The European Central Bank increased the bond buying program from Euro 60 billion to Euro 80 billion a month. The recovery remains fragile in Japan despite substantial policy stimulus. With external demand negatively affected by a slowdown in large emerging market economies, growth forecasts across major high-income economies in 2017 have been shaded down, but growth should still show some improvement from 2017. The tightening cycle of the U.S. Federal Reserve is projected to be very gradual, while policy accommodation will likely continue in the Euro Area and Japan. China's gradual slowdown and rebalancing continued in 2016, as further deceleration in sectors with excess capacity was partially offset by growth in services. World trade remains subdued due to falling import demand from emerging market economies and stress in mining and extractive industries.



The US Federal Reserve hiked interest rates for the first time in nearly a decade in December 2015 and to reduce the volatility in the financial market it has reassured the markets in April 2016 that the rise in interest rates would be at slow pace.

Inflation in the services sector remains a concern due to supply side constraints. The implementation of the Pay Commission proposals and One Rank One Pension, and its effect on wages and rents, will also be a factor impacting inflation in future. Cost push inflationary pressure can be expected from increase in services tax rate implemented in current budget. RBI expects inflation to remain around 5% during FY17, which is subject to risks emanating from food inflation on the back of unseasonal rains and upturn in commodity prices.

Inflation outlook, Currency Outlook, CAD stability as well as domestic liquidity would decide the direction of the bond yield. Apart from inflation, there are upside risks due to commodity & Monsoon uncertainty. Rest parameters seem conducive for bond yield weakening. We expect 10 year benchmark to trade between 7.25% - 7.50% in coming quarter. We will continue to have balanced strategy for the bond portfolio.

For equities, there are challenges in terms of, 1) Corporate earnings growth, 2) Valuation and 3) Liquidity. This has impacted the equity performance in line with our views for past few quarters (Nifty returned -8.9% during FY16). FY17 NIFTY earnings have witnessed series of downgrades over past four quarters from 580 to 470. This in-turn has negatively impacted the valuation multiples of the companies. Global liquidity support is appearing less sustainable (in absence of corporate earnings) due to fall in commodity prices and its implications for EMs and uncertainty on further Fed rate hikes. In the absence of good earnings growth and volatile liquidity environment, we anticipate nifty for the quarter to remain in the range of 6815- 7755, based on 14.5X-16.5X FY17 NIFTY Earnings of 470. Downside risk could emanate from 1) Credit event in EMs, 2) Devaluation by China or 3) Further earnings downgrades. Upside risk is limited from shorter term perspective but could emanate from 1) Lower than expected inflation and thus further rate cuts, 2) Success in major Government reforms like GST, Bankruptcy code etc. and 3) Better than expected monsoon.

Company Performance :-

- The Company closed the fiscal with AUM of Rs.46019/- crores representing a growth of 47% over the previous fiscal, to retain lead position amongst Pension Fund Managers (7 Nos) in terms of market share - 35 % of total AUM for the Government Sector and 69% of total AUM for the Private Sector.
- In terms of NAV return since inception, the Company maintained /improved its position in all the NPS Schemes during the year.
- Comparative ranking amongst PFMs in the various NPS Schemes is set out below:-



a. YTD returns :

Pension Scheme		Comparative Ranking as on	
		31.03.2015	31.03.2016
Government Sector	Central Govt.	1	1
	State Govt.	1	1
Private Sector	Tier I	4	2
	Tier II	4	2
	NPS Lite	1	2
	Corp CG	1	1
	APY	-	3

b. Since inception CAGR

Pension Scheme		Comparative Ranking as on	
		31.03.2015	31.03.2016
Government Sector	Central Govt.	1	1
	State Govt.	3	3
Private Sector	Tier I	4	4
	Tier II	3	1
	NPS Lite	1	1
	Corp CG	2	2
	APY	-	3

Business Strategy and Outlook:-

During the year, the PFRDA hiked the Annual Registration Fee @ 0.005% of Assets Under Management (AUM) as on 31st March 2015 or Rs. 10.00 lacs whichever is higher in respect of the Govt. Sector without any upper ceiling. This is a quantum jump from the previous year whereby the ceiling had been fixed at Rs. 10.00 lacs. As a result, There was additional burden of Rs. 1.30 crores for the Financial Year 2015-16 for the Company which has impacted the profitability of the company adversely.

During the year the fresh inflow of Rs. 9,232 Cr coupled with accruals and net of appreciation on account of market valuation took the total AUM under Government Sector NPS to Rs.37,036 Cr with a market share of 35%. Under the Private Sector NPS (including NPS Lite), the fresh inflows of Rs. 2,912 Cr., accruals and net of appreciation took the AUM to Rs. 8,983 Cr with a market share of 69 %. Overall the Company recorded a growth of 47% in its' AUM during the year, which increased from Rs.31,407 Cr to Rs. 46,019 Cr. Overall market share remained unchanged at 39%.



Recognition & Award:-

Your Company has been adjudged winner in the Best Pension Fund house category for the year 2015 by Outlook Money in a award ceremony organised by them on 1st of April 2016.

Risk Management:-

In terms of the provision of Section 134 (3) (n), the Risk Management framework covers key risks faced by the Company in its business viz. Market, Credit, and Operational Risk. A comprehensive Board approved Risk Management Policy aligned to the SBI Group Risk Management Policy is in place. The Mid-Office is entrusted with the risk management function, which is independent of Front and Back Office functions and reports directly to the MD & CEO. Risk profiles are monitored daily by the Mid-Office. Board level oversight is exercised through the Risk Management Committee of the Board which oversees risk management operations and policy formulation.

Directors :-

Presently there are seven (7) Directors on the Board of your Company. During the year under review, there was no change in Directors on the Board of the Company.

Board Meetings

Five (5) meetings of the Board were held during the year on 22.04.2015, 13.06.2015, 17.07.2015, 15.10.2015 and 27.01.2016.

Corporate Governance

As part of good corporate governance, your Company endeavours to effectively manage the business and enhance long-term interests of various stakeholders. In pursuance of these objectives, the Board actively monitors the Company's operations and exercises fiduciary responsibilities with utmost commitment to enhance transparency, disclosures and adherence to core values. To ensure that internal controls & monitoring systems are adequate and commensurate to the level of activity, the Company's operations are also under ongoing review by external auditors.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (3) (c) & Section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any,
- (ii) the Directors had selected such accounting policies & applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2016 and of the profit of the Company for that period.
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding



- the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the annual accounts have been prepared on a going concern basis for FY 2015-16.
 - (v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Director:-

The Independent Directors have submitted the declaration for meeting the criteria of independence as provided under Section 149 (6).

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:-

“The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaint received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaint of Sexual Harassment has been received during the calendar year.

Statutory Information:-

- a. The Company being Private Limited Company does not require constituting Nomination & Remuneration Committee and Stakeholders Relationship Committee prescribed under section 178 of the Act.
- b. During the year, the Company has given Guarantees of Rs. 30.00 lacs favouring Pension Fund Regulatory & Development Authority (PFRDA) as per regulatory requirement with regard to license to carry business under Private Sector NPS. As on 31st March 2016 total outstanding guarantees are Rs. 90 Lacs. During the year, the Company has neither given any loan to any person or other body corporate nor give any guarantee or security in connection with loan to any other body corporate or person.
- c. The Company's registered office is taken on rent vide Leave & License agreement with State Bank of India at Arm's Length Price of Rs. 2,88,000/- per month plus applicable taxes.
- d. The Government of India has introduced a pension scheme called the Atal Pension Yojana (APY), with effect from 1st June, 2015, pursuant to the announcement in the budget for the F.Y. 2015-16 on creating a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganised sector. APY is being administered by the Pension Fund Regulatory and Development Authority (PFRDA) under the overall administrative and institutional architecture of the National Pension System (NPS).

Under the APY, the subscribers would receive the fixed minimum pension of Rs. 1000 per month, Rs. 2000 per month, Rs. 3000 per month, Rs. 4000 per month, Rs. 5000 per month, at the age of 60 years, depending on their contributions, which itself would be based on the age of joining the APY.



The Investment Management Fee under new RFP for Private Sector has been revised to 0.01% p.a. as per bidding process w.e.f 01.08.2014. Accordingly, the Company has been levying IMF @ 0.01% for NPS Main (Tier I & II) and for Corporate CG Scheme. Whereas, the IMF is levied at 0.0102% p.a. (w.e.f. 18.04.2012) for Government Sector NPS Lite and Atal Pension yojna (APY) schemes as mandated by PFRDA.

- e. There being no employees covered by the provisions of the Section 134 (3) of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975, no statement containing such particulars is annexed to the report.
- f. The primary objective of the Company is to carry on the business of Pension Fund management and there are no particulars to be disclosed regarding conservation of energy, technology upgradation and foreign exchange earnings & outgo as per Section 134 (3) (m) of the Companies Act, 2013.
- g. The Company has no transactions in foreign exchange to report.

Public Deposits:-

During the year ended 31 March 2016, the Company had not accepted any public deposits within the meaning of the provisions of the Non-Banking Financial Companies-Reserve Bank of India Directions 1998, vide notification no. DFC 118/DG (SPT)-98 dated January 31, 1998.

Auditors :-

M/s MNNY & Associates., Chartered Accountants were appointed as Statutory Auditors of the Company for FY 2015-16 by the Comptroller and Auditor General of India (CAG) and hold office till the conclusion of the next AGM.

Audit Committee :-

In terms of the provisions of Section 177 of the Companies Act, 2013 , your Company has in place an Audit committee of the Board comprising three Independent Directors, as under :-

- (i) Shri Mahesh P. Mehrotra, Independent Director
- (ii) Shri Mayur Kisnadwala, Independent Director
- (iii) Shri V. K. Gupta, Independent Director

During the FY 2015-16, meetings of the Audit Committee were held on 22.04.2015, 13.06.2015, 17.07.2015, 15.10.2015 and 27.01.2016.

Corporate Social Responsibility (CSR)

Company does not fall in to the criteria prescribed under section 135(1) to contribute towards Corporate Social Responsibility. Hence, provisions related to the CSR are not applicable.



Acknowledgments :-

Your Directors thank the Pension Fund Regulatory and Development Authority (PFRDA), Trustees of the NPS Trust, various NPS intermediaries viz: - National Securities Depository Limited, Axis Bank, Stock Holding Corporation of India Limited and other stakeholders for their wholehearted and continued support. Your Directors also place on record their thanks to the State Bank of India for their support in managing the affairs of the Company. The Board also takes this opportunity to place on record its appreciation of the sincere efforts put in by the employees of the Company and their commendable teamwork and enthusiasm. Your Directors look forward to the continued support of shareholders & employees in achieving superior performance and maintaining leadership position amongst Pension Fund Managers in future also.

For and on behalf of the Board

**Place : Mumbai
Dated : 18.04.2016**

**(Arundhati Bhattacharya)
CHAIRMAN**



Independent auditors' report to the members of SBI Pension Funds Private Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of **SBI Pension Funds Private Limited** ("the Company") which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to



design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accounts, standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the company as at 31 March 2016;
- b. In the case of the statement of Profit and Loss, of the profit of the company for the year ended on that date; and
- c. In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure (A), statement on the matters specified in paragraphs 3 and 4 of 'the Order' to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the company, so far as appears from our examination of those books.
 - c. The standalone balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director under sub section (2) of section 164 of the Act.



- f. The company has adequate internal financial controls system in place and the operating effectiveness of such controls;
 - g. With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives 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.
3. As required by section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and standalone financial statements of the company, we give in Annexure (B).

For MNNY & Associates
Chartered Accountants
FRN: 114018W

CA. Natwarlal D. Trivedi
Partner
Membership no.: 047161
Place: Mumbai
Date: 18th April, 2016



Annexure (A) to Independent Auditors' Report

(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on account of SBI Pension Funds Private Limited ("the Company") for the year ended 31st March 2016.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets in fixed assets register in computerized format, which has been implemented during the period under review.
- (b) As informed and represented to us by the management of the Company, fixed assets have been physically verified by the management during the period under review and no material discrepancies noticed during such physical verification of fixed assets.
- (c) According to the information and explanation given to us, the company does not hold any immovable properties in its own name during the period under review.
- (ii) The Company is an investment manager of pension corpus regulated by Pension Fund Regulatory and Development Authority (PFRDA) under National Pension System (NPS). In terms of nature of business of the Company and the transactions undertaken, clause 3 (ii) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (iii) According to the information and explanation given to us, during the period under review, the Company has not granted any loans whether secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Therefore details under clause 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iv) During the period under review, the Company has not directly or indirectly advanced any loan to any of the directors or to any other person in whom the directors are interested or given any guarantees or provided any securities in connection with the loan taken by them or such other person pursuant to the provisions of section 185 nor made any investments pursuant to the provisions of section 186 of Companies Act 2013. Hence the details thereof are not applicable as required under clause 3 (iv) of the Companies (Auditor's Report) Order, 2016.
- (v) The Company has not accepted any deposits from public, covered under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, during the period under review. Therefore, clause 3 (v) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.



(vi) As per information and explanation given by the management, provisions in relation to maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company. Therefore, clause 3 (vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

(vii) a) According to information and explanation given to us and on the basis of the records of the Company, undisputed statutory dues including provident fund, Employees' State Insurance, profession tax, income-tax, service tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities.

According to the information and explanation given to us, there are no undisputed amounts payable in respect of profession tax, income-tax, service tax, cess and any other statutory dues were in arrears as at 31st March 2016, for a period of more than six months from the date they became payable.

b) According to the records of the Company and explanation given to us, there are no material dues of profession tax, income-tax, service tax, cess and any other statutory dues on account of dispute which have not been deposited with the appropriate authorities on account of any disputes.

(viii) Based on our audit procedures and the information and explanation given by management, the company has not borrowed funds from financial institutions, banks nor money raised through the issue of debentures during the period under review. Therefore details required to be disclosed under clause 3 (viii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

(ix) According to the records of the Company and explanation given to us, the Company has not raised money by way of Initial Public Offer (IPO) or further public offer (including debt instruments) and term loans during the period under review, therefore, clause 3 (ix) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per information and explanation given by the Management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

(xi) Since the Company is a private limited company, the provisions of section 197 read with Schedule V to the Companies Act, 2013 related to managerial remuneration and requisite approvals are not applicable to the company. Therefore, reporting under clause 3 (xi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.



- (xii) As per information and explanation given by the management, the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/ Society. Therefore, clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (xiii) As per information and explanation given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.
- (xiv) As per information and explanation given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review, hence requirement of section 42 of the Companies Act, 2013 are not applicable to the company. Therefore, details under clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xv) As per information and explanation given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, compliance pursuant to the provisions of section 192 of Companies Act 2013 is not applicable. Therefore, details under clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) As per information and explanation given by the management, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause 3 (xvi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company

For MNNY & Associates
Chartered Accountants
FRN:- 114018W

CA Natwarlal D. Trivedi
Partner
Mem No.: 047161
Place: Mumbai
Date: 18th April, 2016.



Annexure (B) to Independent Auditors' Report

(Referred to in paragraph 3 under the heading “Report on other legal and regulatory requirements” of our report of even date on Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of SBI Pension Funds Private Limited (“the Company”) for the year ended 31st March 2016, issued by Comptroller & Auditor General of India under section 143(5) of the Companies Act, 2013).

1. Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.

As informed by the management and based on records examined by us, the company has lease deed for the leasehold premises which was executed 28.08.2014 between State Bank of India (Licensor) and SBI Pension Funds Private Limited (Licensee) and registered on 28.08.2014 wide receipt no. 9441 with Joint Sub Registrar, Mumbai City 1.

2. Whether there are any case of waiver/write off of debts/loans/interest etc. If yes, the reason there for and the amount involved.

As informed by the management and based on records examined by us, there were no any case of waiver/write off of debts/loans/interest etc during the period under review.

3. Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.

As informed by the management and based on records examined by us, the Company is Investment Manager of Pension Corpus regulated by Pension Fund Regulatory and Development Authority (PFRDA) under National Pension System (NPS). Therefore, no such transactions related to inventory handling were carried out during the year, hence have not been reported or commented herein.

Moreover, as per the information by the management and records examined by us, the Company has not received any gift from Government or Other authorities. Hence, such records were not required to be maintained by the Company.

4. Whether there are any case of waiver of fees/reversal of accounted fees which was due but not received / written off. If yes, the reason there for and the amount involved-case wise.



As informed by the management and based on records examined by us, there were no any case of waiver of fees/reversal of accounted fees which was due but not received / written off, during the period under review.

For MNNY & Associates
Chartered Accountants
FRN:- 114018W

CA Natwarlal D. Trivedi
Partner
Mem No.: 047161
Place: Mumbai
Date: 18th April, 2016.

Compliance Certificate

We have conducted the audit of the accounts of **SBI Pension Funds Private Limited** for the year ended 31st March, 2016 in accordance with the directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 & certify that we have complied with all the directions issued to us.

For MNNY & Associates
Chartered Accountants
FRN:- 114018W

CA Natwarlal D. Trivedi
Partner
Mem No.: 047161

Place: Mumbai
Date: 18th April, 2016.



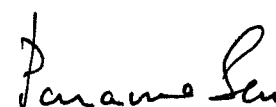
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF SBI PENSION FUNDS PRIVATE LIMITED FOR THE YEAR
ENDED 31 MARCH 2016**

The preparation of financial statements of SBI Pension Funds Private Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 April 2016.

The assets under management through various schemes managed by SBI Pension Funds Private Limited are not reflected in its Balance Sheet, since these assets do not form part of the SBI Pension Funds Private Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the SBI Pension Funds Private Limited and express no opinion on the soundness of the investments .

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBI Pension Funds Private Limited for the year ended 31 March 2016 under section 143(6)(a) of the Act.

For and on the behalf of the
Comptroller and Auditor General of India



(Parama Sen)

Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai
Date : 13th June 2016

Standalone Balance Sheet as at March 31st, 2016

Amount in ₹

Particulars	Note No.	Figures as at the end of current reporting period		Figures as at the end of the previous reporting period	
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	30,00,00,000		30,00,00,000	
(b) Reserves and Surplus	3	4,07,58,956	34,07,58,956	3,58,50,782	33,58,50,782
(2) Current liabilities					
(a) Short-term borrowings	--	-		-	
(b) Trade Payables	--	-		-	
(a) Other current liabilities	4	1,81,097		3,56,121	
(b) Short-term provisions	5	23,99,684	25,80,781	63,48,556	67,04,677
TOTAL			34,33,39,737		34,25,55,459
II. ASSETS					
(1) Non-current assets					
(a) Fixed Assets	6				
(i) Tangible assets	6.1	19,66,599		23,60,252	
(ii) Intangible assets	6.2	1,48,658		1,12,207	
(b) Deferred tax assets (net)	7	13,19,082		14,37,252	
(c) Long-term loans and advances	8	12,25,000		11,75,000	
(d) Other non-current assets	9	28,80,71,842	29,27,31,181	1,12,25,239	1,63,09,950
(2) Current assets					
(a) Current investments	--	-		-	
(b) Inventories	--	-		-	
(c) Trade receivables	10	1,14,08,224		81,87,442	
(d) Cash and cash equivalents	11	3,24,39,416		28,50,99,454	
(e) Short-term loans and advances	--	-		-	
(f) Other current assets	12	67,60,916	5,06,08,556	3,29,58,613	32,62,45,509
TOTAL			34,33,39,737		34,25,55,459
Contingent liabilities and commitments	21				
III. Significant accounting policies	1				
The accompanying notes from 1-25 form integral part of standalone financial statements.					

As per our report of even date attached herewith

For MNNY & Associates,
Chartered Accountants
Firm Regn. 114018W

CA Natwarlal D. Trivedi
Partner
Membership No. 047161
Palce : Mumbai,
Dated : 18th April, 2016

For and on behalf of the Board of Directors
SBI PENSION FUNDS PRIVATE LTD.

Arundhati Bhattacharya
Chairman
DIN- 02011213
Hardik Chauhan
Company Secretary
PAN- AIAPC3852G

Shailendra Kumar
Managing Director & CEO
DIN- 06959848
R. K. Bhatia
Chief Financial Officer
PAN- ABXPB3532C



Standalone Statement of Profit & Loss for the year ended 31st March, 2016

Amount in ₹

Particulars		Note No.	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
I.	Income			
	Revenue from operations	13	3,88,87,337	4,41,00,792
	Other Income	14	2,70,57,900	3,06,66,740
	Total Revenue (I+II)		6,59,45,237	7,47,67,532
II.	Expenses			
	Employee benefits expense	15	1,81,28,881	1,69,04,939
	Depreciation and amortization expense	16	6,00,047	5,46,795
	Other expenses	17	3,94,61,244	2,28,61,701
	Total expenses		5,81,90,172	4,03,13,435
III.	Profit/ (Loss) Before Exceptional & Extraordinary items and taxes (I-II)		77,55,065	3,44,54,097
IV.	Exceptional Item	18	2,48,174	48,33,883
V.	Profit/ (Loss) Before Extraordinary items and taxes (III-IV)		75,06,891	2,96,20,214
VI.	Extraordinary Item	19	-	2,29,910
VII.	Profit before tax (V-VI)		75,06,891	2,93,90,304
VIII.	Tax expense :			
	(a) Current Tax		23,33,034	95,42,234
	(b) Deferred tax		1,18,170	(83,886)
IX.	Profit/(Loss) for the period carried to Reserve & Surplus (VI-VIII)		50,55,687	1,99,31,956
X.	Earnings per equity share : Nominal Value ₹ 10/- per share	20		
	(1) Basic		0.17	0.66
	(2) Diluted		0.17	0.66
XI.	Significant accounting policies	1		

The accompanying notes from 1-25 form integral part of standalone financial statements.

In terms of our report of even date attached herewith.

For MNNY & Associates,
Chartered Accountants
Firm Regn. 114018W

CA Natwarlal D. Trivedi
Partner
Membership No. 047161
Palce : Mumbai,
Dated : 18th April, 2016

For and on behalf of the Board of Directors
SBI PENSION FUNDS PRIVATE LTD.

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Managing Director & CEO
DIN- 06959848
R. K. Bhatia
Chief Financial Officer
PAN- ABXPB3532C



Standalone Cash flow statement for the year ended 31st March, 2016

Particulars	Amount in ₹	
	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
A. Cash flow from operating activities		
Profit /(Loss) before taxation	75,06,891	2,93,90,304
	75,06,891	2,93,90,304
Adjustment for:		
Depreciation	6,00,047	5,46,795
Provision for Expenses (Impairment Loss)	-	2,29,910
Other Income	2,70,57,900	3,06,66,740
Net adjustments:	(2,64,57,853)	(2,98,90,035)
Operating profit before working capital changes	(1,89,50,962)	(4,99,731)
(Increase)/Decrease in Trade Receivable	(32,20,782)	79,24,801
(Increase)/Decrease in Loans & Advances	-	-
(Increase)/Decrease in Other Current Assets	2,61,97,697	(2,15,65,465)
Increase/(Decrease) in Current Liabilities & Provisions	(41,23,896)	13,19,625
Cash generated from operations	(97,943)	(1,28,20,770)
Direct tax paid- Current Year	23,33,034	91,79,343
Direct tax paid- Prior Period	1,47,513	-
Net cash flow from operating activities	(25,78,491)	(2,20,00,113)
B. Cash flow from investing activities		
Interest income from current/ non current investments	2,69,99,026	3,06,06,740
(Increase)/Decrease in Fixed Deposits	(27,68,46,603)	22,09,10,239
(Increase)/Decrease in Long Term Loans & Advances	(50,000)	(1,25,000)
Purchase of Tangible & Intangible Assets	(2,42,845)	(6,48,653)
Other Income	58,874	60,000
Net cash used in investing activities	(25,00,81,548)	25,08,03,326
C. Cash flow from Financing activities		
Issue of Equity shares	-	-
Net cash generated from financing activities	-	-
Net Increase/(Decrease) in Cash and cash equivalents(A+B+C)	(25,26,60,038)	22,88,03,213
Cash and cash equivalents as at the commencement of the year	28,50,99,454	5,62,96,241
Cash and cash equivalents as at the end of the year	3,24,39,416	28,50,99,454
Net Increase/(Decrease) in as disclosed above	(25,26,60,038)	22,88,03,213
Significant accounting policies- Note No. 1		
Note 1. Cash & Cash Equivalents include Cash and Bank Balance and Deposit with banks.		
Note 2. Previous year's figures have been regrouped /rearranged wherever necessary		

In terms of our report of even date attached herewith.

For MNNY & Associates,
Chartered Accountants
Firm Regn. 114018W

CA Natwarlal D. Trivedi
Partner
Membership No. 047161
Palce : Mumbai,
Dated : 18th April, 2016

For and on behalf of the Board of Directors
SBI PENSION FUNDS PRIVATE LTD.

Arundhati Bhattacharya
Chairman
DIN- 02011213
Hardik Chauhan
Company Secretary
PAN- AIAPC3852G

Shailendra Kumar
Managing Director & CEO
DIN- 06959848
R. K. Bhatia
Chief Financial Officer
PAN- ABXPB3532C



SBI Pension Funds Private Limited

Note 1: -Significant Accounting Policies

a. Basis of preparation of financial statements

These financial statements are prepared in accordance with India Generally Accepted Accounting Principles(GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014, the provisions of the Act(to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Cash Flow Statement (AS - 3)

Cash Flows are reported using the indirect method whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

c. Cash and cash equivalents (AS-3)

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of twelve months or less and that are readily convertible to known amounts of cash to be cash equivalents.

d. Use of Estimates (AS - 5)

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

e. Depreciation and Amortization (AS - 6)

Depreciation on fixed assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Individual low cost assets (acquired for `5,000/- or less) are depreciated over a period of one year from the date of acquisition.

The residual value of fixed assets where the estimated useful life as prescribed in the Schedule II of the Companies Act, 2013 was completed, the depreciation charged on such Fixed Assets has been reduced to the extent up to the excess of WDV over residual value of Fixed Assets.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.



The Management has adopted the useful lives of the fixed assets as provided in schedule II of The Companies Act, 2013 effective from 1st April 2014. Depreciation and amortization methods, useful lives and residual values are reviewed at each reporting date.

f. Revenue Recognition (AS - 9)

i. Revenue from Operation

Management Fee is recognized at specific rates agreed with the relevant schemes, applied on daily net assets of each scheme, and is in conformity with the regulatory guidelines. The Company presents revenues net of Service Tax in its Profit & Loss Statement.

ii. Other Income

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

g. Fixed Assets

Tangible Assets (AS - 10)

Fixed Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation and impairment loss, if any. Cost includes direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets (AS - 26)

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use attributable to the intangible assets.

h. Foreign Currency Transactions (AS - 11)

- a. Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transactions.
- b. Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the exchange rates as at the last day of the year.
- c. Any gains or losses on account of exchange difference either on settlement or translation are recognized in Profit and Loss Account.

i. Investments (AS - 13)

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

j. Employee Benefits (AS - 15)

- a. Provident fund is a defined contribution scheme and the contributions as required by the statute paid to Government Provident Fund are charged to profit and loss account. However, it also includes payment of provident fund of employees on deputation of State Bank of India, paid by state Bank of India, however same is reimbursed by the Company.
- b. Liabilities on account of the provision of Gratuity, of officer on deputation from State Bank of India are made by State Bank of India, however same is reimbursed by the Company.



- c. Salary, allowances and other perquisites paid to the officers on deputation from State Bank of India (SBI) are reimbursed to SBI on actual basis. Additionally, 30 % of officers' salary towards Bank's contribution to SBI Employees' Provident Fund, SBI Employees' Pension Fund and Employees' Gratuity Fund are also reimbursed to SBI.
- k. **Leases (AS - 19)**
Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term.
- l. **Earnings per share (AS - 20)**
Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value, which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.
- m. **Accounting for Taxes on Income (AS - 22)**
Income tax is accrued in the same period that the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets in situations where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situations of unabsorbed depreciation and carry forward business loss, are recognized only if there is reasonable certainty that they will be realized.

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

- n. **Impairment of Assets (AS - 28)**
The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an



asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

o. Provisions, Contingent Liabilities and Contingent Assets (AS - 29)

A provision is recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities.

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

- p. Previous Year's figure have been regrouped/ rearranged wherever necessary to confirm to the current year's presentation.

**For MNNY & Associates
Chartered Accountants
Firm No.114018W**

**For and on behalf of Board of Directors
SBI Pension Funds Private Limited**

**CA Natwarlal D. Trivedi
(Partner)
M. No. 047161
Place: Mumbai
Date: 18th April, 2016**

**Arundhati Bhattacharya
Chairman
DIN- 02011213
Hardik Chauhan
Company Secretary
PAN- AIAPC3852G**

**Shailendra Kumar
Managing Director & CEO
DIN- 06959848
R. K. Bhatia
Chief Financial Officer
PAN- ABXPB3532C**



Notes to the Standalone Financial Statements as at ended 31st March, 2016

Amount in ₹

	Figures as at the end of current reporting period	Figures as at the end of the previous reporting period
2. Share Capital		
2.1 Authorized Share Capital		
10,00,00,000 equity shares (31.03.2016: 10,00,00,000) of ₹ 10/- each	1,00,00,00,000	1,00,00,00,000
2.2 Issued, subscribed and fully paid-up shares		
3,00,00,000 equity shares (31.03.2016: 3,00,00,000) of ₹ 10/- each fully paid up	30,00,00,000	30,00,00,000
Total issued, subscribed and fully paid-up share capital	30,00,00,000	30,00,00,000
2.2.(a). Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		
Equity Shares of ₹ 10/- each.	No. of Shares	No. of Shares
At the beginning of the period	3,00,00,000	30,00,000
Issued during the period	-	-
Outstanding at the end of the period	3,00,00,000	30,00,000

2.2.(b). Terms/rights attached to equity shares

(i) The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.2.(c). Details of shareholders holding more than 5% shares in the company

	As at March 31st, 2016		As at March 31st, 2015	
	No. of Shares	%	No. of Shares	%
Equity shares of ₹10/- each fully paid				
State Bank of India Ltd.	1,80,00,000	60.00%	1,80,00,000	60.00%
SBI Funds Management Pvt. Ltd.	60,00,000	20.00%	60,00,000	20.00%
SBI Capital Markets Ltd.	60,00,000	20.00%	60,00,000	20.00%
	3,00,00,000	100.00%	3,00,00,000	100.00%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



2.2.(d). Shares held by holding/ultimate holding company and/or their Subsidiaries/ Associates

Out of equity shares issued by the company, shares held by its Holding Company and Associates are as below:

	As at March 31st, 2016	As at March 31st, 2015
State Bank of India Ltd. (Holding Company)	1,80,00,000	1,80,00,000
SBI Funds Management Pvt. Ltd. (Associate Company)	60,00,000	60,00,000
SBI Capital Markets Ltd. (Associate Company)	60,00,000	60,00,000
	3,00,00,000	3,00,00,000
3. Reserves & Surplus		
	As At March 31st, 2016	As At March 31st, 2015
Surplus/(deficit) in statement of Profit & Loss		
Balance as per the last financial statements	3,58,50,782	1,59,18,826
Add: Profit/(Loss) for the year	50,55,687	1,99,31,956
	4,09,06,469	3,58,50,782
Less : Short Provision of Income Tax for Earlier Years	1,47,513	-
Net surplus in the statement of profit and loss	4,07,58,956	3,58,50,782
Total Reserves and Surplus	4,07,58,956	3,58,50,782
4. Other Current Liabilities		
	As At March 31st, 2016	As At March 31st, 2015
Other Payable	1,81,097	3,56,121
	1,81,097	3,56,121
4.1 Other Payable includes payments which are subject to confirmation from parties.		
5. Short Term Provisions		
	As At March 31st, 2016	As At March 31st, 2015
Provision for Employee Benefit	10,26,835	38,13,073
Other Provisions	13,72,849	25,35,483
	23,99,684	63,48,556
5.1 The provision for Employee Benefit and expenses are recognised based on use of estimates since actuals are not available on the date of signing of balance sheet, while actuals may differ and accounts are adjusted for difference in the next year.		
5.2 The provision for Employee Benefit includes arrears of salary payable to the deutees from State Bank of India in the Company at Rs. NIL(Previous Year : Rs. 29,72,542/-)		



Notes to the Standalone Financial Statements for the year ended 31st March, 2016

Sr. No	Particulars	Rate	Gross Block				Depreciation				Net Block		Amount in ₹	
			Value at the beginning Reporting period	Addition during the year	De-duction during the year	Value at the end Reporting Period	Value at the beginning Reporting period	Addition during the year	De-duction during the year	Value at the end Reporting Period	WDV as on End of Reporting period	WDV as on Last Reporting period		
6.1	Tangible Assets													
1	Plant & Machinery		6,48,908	-	-	6,48,908	3,93,898	26,487	-	4,20,385	2,28,523	2,55,010		
2	Furniture & fixtures		23,69,126	14,175	-	23,83,301	16,59,892	1,55,181	-	18,15,073	5,68,228	7,09,234		
3	Office Equipment		10,36,143			10,36,143	5,34,588	1,26,440		6,61,028	3,75,115	5,01,555		
4	Electrical Installations		8,70,252			8,70,252	5,76,486	73,545		6,50,031	2,20,221	2,93,766		
5	Other (Computer)		18,61,199	1,50,100		20,11,299	12,60,512	1,76,275		14,36,787	5,74,512	6,00,687		
	SUB TOTAL (A)		67,85,628	1,64,275	-	69,49,903	44,25,376	5,57,928	-	49,83,304	19,66,599	23,60,252		
6.2	Intangible Assets													
	SUB TOTAL (B)		13,66,440	78,570		14,45,010	12,54,233	42,119		12,96,352	1,48,658	1,12,207		
	SUB TOTAL (C)		13,66,440	78,570		14,45,010	12,54,233	42,119		12,96,352	1,48,658	1,12,207		
III	Capital Work-in-progress													
	SUB TOTAL (D)													
IV	Intangible Assets Under Development													
	SUB TOTAL (E)													
	Total [A+B+C+D] (Current Year)		81,52,068	2,42,845	-	83,94,913	56,79,609	6,00,047	-	62,79,656	21,15,257	24,72,459		
	(Previous Year)		79,56,166	6,48,653	4,52,751	81,52,068	53,55,655	5,46,795	2,22,841	56,79,609	24,72,459	26,00,511		
6.1 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives.														
6.2 The residual value of fixed assets where the estimated useful life as prescribed in the Schedule II of the Companies Act, 2013 was completed, the depreciation charged on such Fixed Assets has been reduced to the extent up to the excess of WDV over residual value of Fixed Assets.														



7. Deferred Tax Assets/ (Liabilities)		
	As At March 31st, 2016	As At March 31st, 2015
7.1 Deferred Tax Assets/(Liability)	14,37,252	13,53,366
7.1.1 Deferred Tax Liability		
Fixed assets : Impact of differences between tax depreciation and depreciation/amortization charge for the financial reporting	26,769	-
Unabsorbed Losses to be Carried Forward	91,401	-
Gross Deferred Tax Liability	1,18,170	-
7.1.2 Deferred Tax Assets		
Fixed assets : Impact of differences between tax depreciation and depreciation/amortization charge for the financial reporting	-	73,215
Unabsorbed Losses to be Carried Forward	-	10,671
Gross Deferred Tax Asset	-	83,886
Net Deferred Tax Assets/(Liability)	13,19,082	14,37,252
8. Long term Loans and advances		
	As At March 31st, 2016	As At March 31st, 2015
Security deposit	12,25,000	11,75,000
	12,25,000	11,75,000
Secured, considered Good	-	-
Unsecured, considered Good	12,25,000	11,75,000
Unsecured, considered Doubtful	-	-
9. Other Non-Current Assets		
	As At March 31st, 2016	As At March 31st, 2015
Deposit with Bank of which maturity period is more than 12 months	27,70,00,000	1,00,00,000
Accrued Interest on Deposits with Bank whereof maturity period is more than 12 months	1,10,71,842	12,25,239
	28,80,71,842	1,12,25,239
Secured, considered Good	-	-
Unsecured, considered Good	28,80,71,842	1,12,25,239
Unsecured, considered Doubtful	-	-



10. Trade Receivables		
	As At March 31st, 2016	As At March 31st, 2015
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six month from the date they are due for payment		
Due from related parties	-	-
Due from others	-	-
	-	-
Other receivables		
Due from related parties	1,14,08,224	81,87,442
Due from others	1,14,08,224	81,87,442
	1,14,08,224	81,87,442
10.1 Trade Receivable is subject to confirmation and reconciliation and consequent adjustment thereof, if any		
11. Cash and Cash Equivalents		
	As At March 31st, 2016	As At March 31st, 2015
Balance with Banks		
In Current Accounts	14,42,423	23,35,944
Cash on hand	-	-
	14,42,423	23,35,944
Others		
In Deposit accounts (with maturity less than 3 months)	3,02,774	30,00,000
In Deposit accounts (with maturity more than 3 months but less than 12 months)	3,06,94,219	27,97,63,510
	3,09,96,993	28,27,63,510
	3,24,39,416	28,50,99,454
11.1 Deposits include Rs. 1,81,94,219/- (Previous Year :Rs.1,67,63,510/-) pledged for cash margin against Bank Guarantee of Rs. 90,00,000/- (previous Year Rs. 60,00,000/-) given to PFRDA as per agreement.		



12. Other Current Assets		
	As At March 31st, 2016	As At March 31st, 2015
Prepaid Expenses	8,67,081	5,98,024
Service Tax Credit	2,33,815	1,17,940
Income Tax Refund FY 2008-09	-	2,33,502
Income Tax Refund FY 2012-13	64,860	1,83,603
Income Tax Refund FY 2013-14	-	99,913
Income Tax Refund FY 2015-16	43,19,136	-
Interest accrued on term deposits other than long term	12,76,024	3,17,25,631
	67,60,916	3,29,58,613
Secured, considered Good	-	-
Unsecured, considered Good	67,60,916	3,29,58,613
Unsecured, considered Doubtful	-	-
12.1 Out of Income Tax Refund due for FY 2012-13, Refund of Rs. 64860 adjusted against IT demand of Rs. 55920/- plus Interest Rs. 8940/- for the FY 2010-11 and due to this the IT Refund received less than the Claimed Amount, the Company has filed the rectification application u/s 154 of the AT Act, 1961 and the same is pending as on March 31st, 2016.		

Amount in ₹

Notes to the Standalone Financial Statements for the year ended 31st March, 2016	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
13. Revenue From Operations		
a) Income from operations		
Management fees	3,88,87,337	4,41,00,792
	3,88,87,337	4,41,00,792
14. Other Income		
Interest Income	2,69,99,026	3,06,06,740
Other non-operating income	58,874	60,000
	2,70,57,900	3,06,66,740
15. Employee benefit expense		
Salaries & Wages	1,62,42,224	1,56,03,731
Contribution to provident and other funds	15,53,835	10,45,746
Staff welfare Expenses	3,32,822	2,55,462
	1,81,28,881	1,69,04,939



15.1 Salaries & wages includes salaries & wages paid to employees of State Bank of India on deputation as per effective circular no. CDO/ PRHRD-CM/70/2011-12 and CDO/P & HRD-CM/88/2012-13 dated 04.10.2011 & 15.03.13 respectively of Rs.1,33,03,488/- (Previous Year : Rs. 1,27,45,342/-)		
15.2 Salaries & wages includes arrears of Salary Rs. NIL (Previous Year : Rs. 12,78,600/-) payable to employees of State Bank of India on deputation.		
15.3 Contribution to provident and other funds also include provident and other funds payment to State Bank of India on salaries & wages paid for the employees on deputation of Rs. 15,53,835/- (Previous Year : Rs. 10,45,746/-)		
16. Depreciation and Amortisation Expenses	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
Depreciation of tangible assets	5,57,928	5,11,659
Depreciation of intangible assets	42,119	35,136
	6,00,047	5,46,795
16.1 In The Previous Year, the company has changed its method of charging depreciation on its fixed assets as per provision of schedule II of the companies act 2013 and the assets which has already completed their age of depreciation and still appearing in gross and net block of fixed assets are appropriated in Reserves and Surplus in excess of their residual value.		
16.2 The residual value of fixed assets where the estimated useful life as prescribed in the Schedule II of the Companies Act, 2013 was completed , the depreciation charged on such Fixed Assets has been reduced to the extent up to the excess of WDV over residual value of Fixed Assets.		
17. Other Expenses	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
Advertisement expenses	-	10,000
Audit Fees	10,48,000	20,89,450
Commission & Brokerage	73,94,328	35,39,524
Connectivity Charges	17,55,292	14,49,720
Director's Fees	5,05,000	4,25,000
Power & Fuel	8,60,320	7,61,790
Rent	54,67,500	55,37,300
Repairs & Maintenance	3,59,299	43,376
Insurance	26,881	38,902
License & renewal Fees	1,57,03,528	24,43,630
Miscellaneous Expenses	54,56,073	54,79,734
Professional Charges	6,33,379	10,40,775
Rates & Taxes	2,51,644	2,500
	3,94,61,244	2,28,61,701
17.1 Miscellaneous Expenses includes Expenses made during the year having value less than 1% of turnover or Rs.100,000/- whichever is higher		
17.2 Rates and Taxes includes Amount paid directly to the society towards the Municipal Taxes Rs. 2,49,144/- (Previous Year Rs. NIL), as in the previous year the same was reimbursed to the Lessor of the property.		



17.3 Professional Charges includes Rs. NIL (Previous Year : Rs. 315000/- towards Legal Fees recoverable from PFRDA, however, as per opinion of the management, the recovery of the same is doubtful, henceforth, the effect of the same is not given in the current/previous standalone financial statements.

17.4 Payment to Auditors As:

Audit fees	Figures for the year ended on current reporting period	Figures for the year ended on previous reporting period
For Statutory Audit	50,000	50,000
For System Audit	-	75,000
For Internal Audit	1,60,000	1,20,000
For Scheme Audit	7,18,000	17,00,450
For Concurrent Audit Fees	1,20,000	1,44,000
	10,48,000	20,89,450

18. Exceptional Item

- Prior period items

Arrears of Salary	71,829	16,91,942
Electricity Expenses	-	17,120
Entertainment Allowances	-	35,917
Property Taxes Paid	-	30,88,662
Society Maintenance Charges	1,76,345	-
Telephone Expenses (Office)	-	242
Aggregate of exceptional items	2,48,174	48,33,883

18.1 Arrears of salary of Rs. 71,829/- paid in Current year on Account of Short Provision of Arrears of Salary in the Previous Year. Further the Previous Years Arrears of Salary includes Arrears of salary payable for the year 2012-13 of Rs. 5,96,642/- & for the year 2013-14 of Rs. 10,95,300/- payable to employees of State Bank of India on deputation as per decision taken in Indian Banking Associations.

18.2 Property tax paid and accounted for during the year Rs. NIL (Previous Year : Rs. 3088662/-) is related to the financial year 2008-09 and 2009-10 of which the demand has been raised MCGM in the Previous financial year.

18.3 All other expenses are on account of short provisions in the earlier year.

19. Extraordinary Items

Impairment Loss	-	2,07,272
Loss of Assets	-	22,638
	-	2,29,910

20. Earnings per Share

Profit available for distribution to equity share holders	A	50,55,687	1,99,31,956
Weighted average no of equity shares	B	3,00,00,000	3,00,00,000
Basic Earnings per share	C=A/B	0.17	0.66
Diluted Earnings per share	D=A/B	0.17	0.66



21. Contingent liabilities and commitments		
(a) Claims against the company not acknowledged as debt	-	-
(b) Guarantees	90,00,000	60,00,000
(c) Other liabilities for which company is contingently liable	-	-
	90,00,000	60,00,000
21.1 Financial Bank Guarantee favoring PFRDA for the period of 5 Years against pledge of Fixed deposit including accrued Interest of Rs. 1,81,94,219/-		
22. Leases		
Disclosure as required by Accounting Standard-19, 'Leases', issued by the Institute of Chartered Accountants of India-		
The future minimum lease payments under cancellable operating lease		
Within one year	53,91,600	41,29,500
After one year but not more than five years	33,48,600	67,24,000
More than five years	-	-
	87,40,200	1,08,53,500
22.1 The Company has taken office premises & residential premises for employees under operating lease / leave & license basis. These are generally cancellable by giving prior notice and for tenure of two or three years and are renewable by mutual consent on mutually agreeable terms.		
22.2 Lease payments are recognized in the profit and loss account under 'Rent' in Note 17-Other Expenses		
23. Quantitative details		
The company is primarily engaged in rendering services in the nature of management of assets of NPS Trust allocated to them and hence, it is not required to give any quantitative details as per Schedule III of companies act, 2013		
24. Capital commitments		
The Company does not have any outstanding capital commitment for any fixed assets as on March 31st, 2016 (Previous Year as on March 31st, 2015: Rs. NIL)		
25. Related Party Disclosures		
Related party relationship on the basis of requirements of Accounting Standard 18 (AS-18) as issued by the Institute of Chartered Accountants of India, is identified by the Company and relied upon by the Auditors.		
Key Managerial Person		
Shri. Shailendra Kumar, Managing Director & CEO (Date of Appointment-16.10.2014)- DIN- 06959848		
Shri. Hardik Chauhan, Company Secretary (Date of Appointment-24.12.2012)- PAN- AIAPC3852G		
Shri. R. K. Bhatia, CFO (Date of Appointment-13.06.2015)- PAN- ABXPB3532C		



Related Parties		
State Bank of India - Holding Company		
State Bank of Patiala - Associate of Holding Company		
State Bank of Hyderabad - Associate of Holding Company		
State Bank of Travancore - Associate of Holding Company		
SBI Funds Management Pvt. Ltd. - Associate Company		
SBI Capital Markets Ltd. - Associate Company		

Transactions with related parties

Nature of transaction	Key managerial person	Body corporates where control exists	Gross Amount
Share Capital			
Opening Balance	-	30,00,00,000	30,00,00,000
Add : Issued during the year	-	-	-
Closing Balance	-	30,00,00,000	30,00,00,000
Deposits			
Opening Balance	-	29,27,63,510	29,27,63,510
Add: Fixed Deposit made during the year	-	46,02,79,473	46,02,79,473
Less : Matured during the year	-	44,50,45,990	44,50,45,990
Closing Balance	-	30,79,96,993	30,79,96,993
Interest Accrued during the Year			
Opening Balance		3,29,50,869	3,29,50,869
Add : Accrued during the year		1,23,42,727	1,23,42,727
Less : Received during the year		3,29,45,731	3,29,45,731
Closing Balance	-	1,23,47,865	1,23,47,865
Reimbursement of salary and other employee benefit			
Opening Balance	-	38,13,073	38,13,073
Add: Reimbursement bill received during the year	-	1,45,38,582	1,45,38,582
Less : Payment during the year	-	1,73,24,820	1,73,24,820
Closing Balance	-	10,26,835	10,26,835
Interest Received	-	2,69,99,026	2,69,99,026
Salary & Allowances	33,97,592	-	33,97,592
Salary Arrears	2,58,945	-	2,58,945
Rent Paid	-	34,56,000	34,56,000



Annexure - A
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

CIN	U66020MH2007GOI176787
Registration Date	14.12.2007
Name of the Company	SBI PENSION FUNDS PRIVATE LIMITED
Category/Sub-category of the Company	PRIVATE
Address of the Registered office & contact details	32, 3 rd Floor, Maker Chambers III, Nariman Point, Mumbai - 400 021. Ph No. 022-22022812
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Funds Management Service	66302	100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	State Bank of India		Holding Company	60.00%	2 (46)
2	SBI Funds Management Pvt. Ltd.	U65990MH1992PTC065289	Associate Company	20.00%	2 (6)
3	SBI Capital Markets Ltd.	U99999MH1986PLC040298	Associate Company	20.00%	2 (6)



III. VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI	-	30000000	30000000	100%	-	30000000	30000000	100%	-
f) Any other									
Total shareholding of Promoter (A)	-	30000000	30000000	100%	-	30000000	30000000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	30000000	30000000	100%	-	30000000	30000000	100%	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1								
2								
3				NIL				
4								
5								



C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):		NIL		
	At the end of the year				

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders **	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	State Bank of India	18000000	60.00%	18000000	60.00%
	SBI Funds Management Pvt Ltd.	6000000	20.00%	24000000	80.00%
	SBI Capital Markets Ltd	6000000	20.00%	30000000	100.00%

Note: ** There has been no change in shareholding pattern.

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):		NIL		
	At the end of the year				



V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year		NIL		
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Shri Shailendra Kumar	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,46,761.00	20,46,761.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	20,46,761.00	20,46,761.00
	Ceiling as per the Act		



B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri M Kishnadwala	Shri V K Gupta	Shri M P Mehrotra	Prof. Gitika Kapoor	
1	Independent Directors					
	Fee for attending board / committee meetings	1,30,000	1,65,000	95,000	1,15,000	5,05,000
	Commission					
	Others, please specify					
	Total (1)	1,30,000	1,65,000	95,000	1,15,000	5,05,000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)	1,30,000	1,65,000	95,000	1,15,000	5,05,000
	Total Managerial Remuneration					23,49,731
	Overall Ceiling as per the Act					-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Shri Hardik Chauhan - CS	Shri R. K. Bhatia - CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		8,28,000	16,09,776	24,37,776
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		15,000		15,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total		8,43,000	16,09,776	24,52,776



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					



ANNEXURE - B

FORM NO. AOC-2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND
RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ ARRANGEMENTS
ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB
SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN
ARMS LENGTH TRANSACTIONS UNDER THIRD
PROVISO THERETO

1 Details of contracts or arrangement or transactions not at arm's length basis:										
Sr No.	Name(s) of the related party	Nature of Relation-ship	Nature of Trans-action	Duration of the Trans-action	Salient fea-tures of the Transactions	Trans-actions value	Justifica-tion for transac-tion	Date (s) of approval by the Board	Amount paid as advances	Date of special resolu-tion
1	NIL									N.A.

2 Details of contracts or arrangement or transactions at arm's length basis:							
Sr No.	Name(s) of the related party	Nature of Relation-ship	Nature of Transaction	Duration of the Transaction	Transactions value	Date (s) of approval by the Board	Amount paid as advances
1	State Bank of India	Holding Company	Expenses (Lease Agreement)	33 months (01.11.2013 - 31.07.2016)	2,88,000/- per month	Since this RPT are in the ordinary course of business and is at arms length basis, approval of the Board is not applicable.	





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