

SBI PENSION FUNDS PRIVATE LIMITED

CIN: U66020MH2007GOI176787

Balance Sheet as at 31st March 2020

Amount in Thousands ('000)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	2	78,031	64,003
(b) Bank Balance other than (a) above	3	1,85,000	2,10,000
(c) Derivative financial instruments		-	-
(d) Receivables			
(I) Trade Receivables	4	43,154	31,131
(II) Other Receivables		-	-
(e) Loans		10	10
(f) Investments	5	77,746	60,353
(g) Other Financial assets	6	3,83,941	3,65,497
2 Non-financial Assets			
(a) Inventories		-	-
(b) Current tax Assets (Net)	7	16,200	11,272
(c) Deferred Tax Assets (Net)	7	-	198
(d) Investment Property		-	-
(e) Biological assets other than bearer plants		-	-
(f) Property, Plant and Equipments	8	15,048	4,367
(g) Capital Work-in-Progress		-	-
(h) Intangible assets under development		-	-
(i) Goodwill		-	-
(j) Other Intangible assets	8	6,989	273
(k) Other non-financial assets	9	6,699	8,318
		44,936	24,428
Total Assets		4,28,878	3,89,925
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments		-	-
(b) Payables			
(I) Trade Payables		-	-
(i) total outstanding dues of micro enterprise and small enterprises		-	-
(ii) total outstanding dues to creditors other than micro enterprises and small enterprises		-	-
(II) Other Payables	10	1,787	1,316
(i) total outstanding dues of micro enterprise and small enterprises		-	-
(ii) total outstanding dues to creditors other than micro enterprises and small enterprises		-	-
(c) Debt Securities		-	-
(d) Borrowings (other than Debt Securities)		-	-
(e) Deposits		-	-
(f) Subordinated Liabilities		-	-
(g) Other financial liabilities	11	14,054	1,381
		15,842	2,697
2 Non-financial Liabilities			
(a) Current tax liabilities (Net)	12	-	-
(b) Provisions		3,733	1,769
(c) Deferred Tax Liabilities (Net)	7	387	-
(d) Other non-financial liabilities	13	2,225	1,589
		6,345	3,358
3 EQUITY			
(a) Equity Share Capital	14	3,00,000	3,00,000
(b) Other Equity	15	1,06,691	83,870
		4,06,691	3,83,870
Total Liabilities and Equity		4,28,878	3,89,925

Summary of significant accounting policies

The accompanying notes forming part of the Financial Statements

For Pradhan Phadke & Associates
Chartered Accountants
Firm Regn No - 108035W

Chirag Raut
CA Chirag Raut
Partner

Membership No: 161067
UDIN No:20161067AAAAAM9081

Place: Mumbai
Date: 23.04.2020



For and on behalf of Board of Directors
SBI Pensions Fund Private Limited

Dinesh Kumar Khara
Dinesh Kumar Khara
Chairman
DIN: 06737041
Tejas Mehta
Tejas Mehta
Company Secretary
PAN: BASPM0817]

Narayanan Sadanandan
Narayanan Sadanandan
Managing Director & CEO
DIN: 07263104

Ashish Patnaik
Ashish Patnaik
Chief Financial Officer
PAN- AJSPP1737A



SBI PENSION FUNDS PRIVATE LIMITED
CIN: U66020MH2007GOI176787
Statement of Profit and Loss for the period ended March 31, 2020

Amount in Thousands ('000)

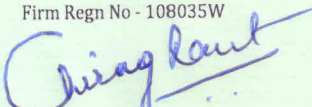
Particulars	Note No	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
I Revenue from Operations					
(i) Interest Income				-	-
(ii) Dividend Income				-	-
(iii) Fee and commission income	16	39,957	28,825	1,45,055	1,03,814
(iv) Net gain on fair value changes				-	-
I Total Revenue From Operations		39,957	28,825	1,45,055	1,03,814
II Other Income	17	7,134	6,464	24,159	23,647
III Profit on Sale of investment				-	-
IV Total Income (I+II+III)		47,091	35,289	1,69,214	1,27,461
V Expenses					
(i) Finance Costs		236	-	946	-
(ii) Net loss on fair value changes		-	-	-	-
(iii) Impairment of financial instruments		-	-	-	-
(iv) Employee benefit Expenses	18	7,963	6,346	31,619	22,902
(v) Depreciation and amortisation	8	1,823	216	6,173	837
(vi) Other Expenses	19	29,384	19,937	99,657	77,202
V Total Expenses		39,406	26,499	1,38,395	1,00,942
VI Profit before exceptional items and tax (IV-V)		7,685	8,790	30,819	26,520
VII Exception items				-	-
VIII Profit before tax (VI-VII)		7,685	8,790	30,819	26,520
IX Tax Expense					
(1) Current tax		1,389	1,919	7,412	6,687
(2) Deferred tax	7	167	-	585	966
IX Net Tax Expense		1,555	1,919	7,997	7,653
X Profit for the Period		6,130	6,872	22,822	18,866
XI Other Comprehensive Income				-	-
XII Total Comprehensive Income for the period (X+XI)		6,130	6,872	22,822	18,866
(Comprising Profit/(loss) and Other Comprehensive Income/(Loss) for the period)					
XIII Earnings per equity share	20				
Equity Share of par value ` 10/- each					
(1) Basic		0.20	0.23	0.76	0.63
(2) Diluted		0.20	0.23	0.76	0.63

Summary of significant accounting policies

The accompanying notes forming part of the Financial Statements

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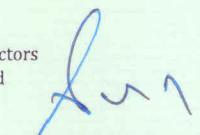

For Pradhan Phadke & Associates
Chartered Accountants
Firm Regn No - 108035W


CA Chirag Raut
Partner
Membership No: 161067
UDIN No: 20161067AAAAAM9081

For and on behalf of Board of Directors
SBI Pensions Fund Private Limited


Dinesh Kumar Khara
Chairman
DIN: 06737041

Tejas Mehta
Company Secretary
PAN: BASPM0817


Narayanan Sadanandan
Managing Director & CEO
DIN: 07263104

Ashish Ratnaik
Chief Financial Officer
PAN- AJSP1737A

Place: Mumbai
Date: 23.04.2020



SBI PENSION FUND PRIVATE LIMITED
CIN: U66020MH2007GOI176787

Cash flow statement for the period ended 31.03.2020

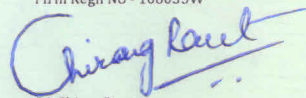
Amount in Thousands ('000)

Particulars	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
1. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	7,685	8,790	30,819	26,520
Adjustments for				
Loss on sale of Fixed Assets	-	-	-	27
Depreciation	1,823	216	6,173	837
Other Income	-7,134	-6,461	-24,158	-23,600
Assets Written off	-	14	-	14
Interest on Lease Liability	236	-	946	-
Operating profit before working capital changes and adjustments for Interest paid, Interest received and dividend received	2,610	2,559	13,780	3,797
Adjustment for				
(Increase)/Decrease in Trade Receivable	-2,353	-2,200	-12,023	-7,871
(Increase)/Decrease in Other Financial Assets	-4,258	-16,410	-6,122	-17,694
(Increase)/Decrease in Other Non Financial Assets	11,275	24,466	-14,581	-4,282
Increase/(Decrease) in Other Payables	357	164	471	103
Increase/(Decrease) in Other Financial Liabilities	3,315	585	3,969	389
Increase/(Decrease) in Provisions	404	-934	1,963	-783
Increase/(Decrease) in Other Non Financial Liabilities	619	455	637	435
Cash used in operations	11,970	8,685	-11,905	-25,905
Taxes paid	1,389	1,919	7,412	6,687
Net cash used in Operating Activities	10,582	6,766	-19,317	-32,592
2. CASH FLOW FROM INVESTING ACTIVITIES				
Interest Received	7,134	6,461	24,158	23,600
Increase/Decrease in Fixed Deposits	57,450	45,950	25,000	23,100
Purchase of Tangible & Intangible Assets	-3,990	-155	-11,747	-2,778
Sale of Tangible & Intangible Assets	0	0	0	1
CASH USED IN INVESTING ACTIVITIES	60,594	52,256	37,412	43,923
3. CASH FLOW FROM FINANCING ACTIVITIES				
Principal Portion of Rental Payments	-1,063	-	-4,066	-
NET CASH FROM FINANCING ACTIVITIES	-1,063	0	-4,066	0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	70,113	59,022	14,029	11,331
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7,918	4,980	64,003	52,671
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	78,031	64,003	78,031	64,003

For Pradhan Phadke & Associates

Chartered Accountants

Firm Regn No - 108035W



CA Chirag Raut

Partner

Membership No: 161067

UDIN No:20161067AAAAAM9081

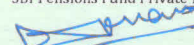
Place: Mumbai

Date: 23.04.2020



For and on behalf of Board of Directors

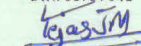
SBI Pensions Fund Private Limited



Dinesh Kumar Khara

Chairman

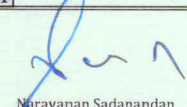
DIN: 06737041



Tejas Mehta

Company Secretary

PAN: BASPM0817



Narayanan Sadanandan

Managing Director & CEO

DIN: 07263104



Ashish Patnaik

Chief Financial Officer

PAN- AJSP1737A



SBI PENSION FUND PRIVATE LIMITED

CIN: U66020MH2007GOI176787

Statement of Changes in Equity for the Period ended 31st March 2020

Amount in Thousands ('000)

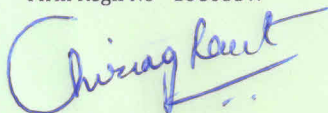
A. Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Actual No. of Shares	Amount	Actual No. of Shares	Amount
Equity shares of face value of Rs. 10/- each issued on subscribed and fully paid up				
Balance at the beginning of the Period	3,00,00,000	3,00,000	3,00,00,000	3,00,000
Changes in Equity share capital during the period	-	-	-	-
Balance at the end of the Period	3,00,00,000	3,00,000	3,00,00,000	3,00,000

B. Other Equity as on 31.03.2020

Particulars	Reserves and Surplus	Equity attributable to Shareholders of Company	Total Other Equity
	Retained Earnings		
Balance at the April 1, 2019	83,870	83,870	83,870
Add:			
Profit for the year	22,821	22,821	22,821
Balance as at March 31, 2020	1,06,691	1,06,691	1,06,691

For Pradhan Phadke & Associates
Chartered Accountants
Firm Regn No - 108035W

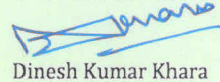


CA Chirag Raut
Partner
Membership No: 161067
UDIN No:20161067AAAAAM9081

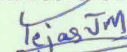
Place: Mumbai
Date: 23.04.2020



For and on behalf of Board of Directors
SBI Pensions Fund Private Limited



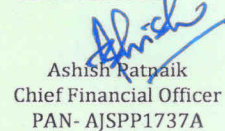
Dinesh Kumar Khara
Chairman
DIN: 06737041



Tejas Mehta
Company Secretary
PAN: BASPM0817J



Narayanan Sadanandan
Managing Director & CEO
DIN: 07263104



Ashish Ratpaik
Chief Financial Officer
PAN- AJSPP1737A



SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020

Company's Basic Information-

SBI Pension Funds Private Limited is a Private limited company incorporated on 14th December, 2007. It is classified as Union Government Company and is registered at Registrar of Companies, Mumbai. SBI Pension Funds Private Limited's Corporate Identification Number is (CIN) U66020MH2007GOI176787 and its registration number is 176787 and its registered office address is Maker Chambers III, Nariman Point, Mumbai 400021. The company act as Pension fund Manager of the corpus owned by NPS Trust.

Note 1.1: – Significant Accounting Policies

a. Basis of preparation of financial statements (Ind AS – 1)

These financial statements have been prepared in accordance with Indian Accounting Standards in India ("Ind AS") notified under the companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) This note provides a list of the significant accounting policies adopted in the preparation of the financial Statements comprising of Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income and notes to accounts.

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. Adoption of New Accounting Standard effective from 1st April 2019- IND AS 116 on Accounting of Leases

W.e.f 01.04.2019, new standard on Leases came into effect which replaces IND AS 17. Accordingly, company has identified the Lease arrangements which are to be classified as Right to Use. Short Term Lease Arrangements are not considered under this standard.

As a result, Lease agreements having long term, will be identified for IND AS 116 purpose and accordingly accounting treatment will be given as prescribed in IND AS 116

Right to Use to be created as Non-financial Asset at present value for all future Rental Payments.

Lease Liability to be created for the amount equivalent to Right to Use.

Right to Use to be amortised over the period of lease term and to be charged to Profit and loss.

Interest to be calculated on Lease Liability and same to be charged to Profit and Loss as Finance Cost.

c Cash Flow Statement (Ind AS – 7)

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.



SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020

d. Cash & Cash Equivalents

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

e. Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS – 8)

The preparation of financial statements in conformity with "Ind AS" requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable fixed assets both tangible and intangible assets and provision for impairment, valuation of inventories, assessment of recoverable amounts of deferred tax assets, provision for sales returns, provision for obligations relating to employees, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known / materialize.

Judgements:

Financial Statements are made with information about judgements made in applying accounting policies that have a most significant effect on the amount recognized in the Financial Statements.

Assumptions and estimation uncertainties:

Financial Statements are made with information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2020.

f. Property, Plant & Equipment

Property, Plant & Equipment (Ind AS – 16)

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 (Ind AS – 38)

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.



SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020**g. Depreciation and Amortization (Ind AS – 16)**

Depreciation on Property, Plant & Equipment is provided on the 'Straight Line Method' as per schedule II of the Companies Act, 2013. 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 Property, Plant & Equipment where the estimated useful life as prescribed in the Schedule II of the Companies Act, 2013 was completed, the depreciation charged on such Property, Plant & Equipment has been reduced to the extent up to the excess of WDV over residual value of Property, Plant & Equipment.

Sr.No.	Particulars	Useful Life
1	Plant & Machinery	15 Years
2	Furniture & Fixture	10 years
3	Office Equipment	5 Years
4	Electrical Installation	10 Years
5	Other (Computers)- End Users/ Servers	3/ 6 years
6	Intangible Assets	3 years

Intangibles

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.

Depreciation and amortization methods, useful lives and residual values are reviewed at each reporting date.

Intangibles under Development

Intangible assets which are not put to use but are under development stage, will be accounted as Intangibles under Development.

h. Revenue from Contracts with Customers (Ind AS – 115)**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 present revenues net of Goods and Service Tax in its Statement of Profit and Loss.

ii. Other Income

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made. Interest on Fixed Deposits is recognized on accrual basis. Other income is recognized as and when it is received.

j. Investment Property (Ind AS – 40)

SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020

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.

k. Retirement Benefits (Ind AS – 19)

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. Liability on account of Market recruits, is provided for in the books of accounts.

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.

l. Earnings per share (Ind AS – 33)

Basic earnings per share are 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 Income Taxes (Ind AS – 12)

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. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay



SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020

normal tax after the tax holiday period and the resultant asset can be measured reliably. The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

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 Company 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 (Ind AS – 36)

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 (Ind AS – 37)

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.



SBI Pension Funds Private Limited

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Notes to the financial statements for the year ended 31st March 2020

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. Financial Instruments

Financial assets and financial liabilities are recognised in the Balance Sheet on trade date when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- a) If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the Statement of Profit and Loss on initial recognition (i.e. day 1 profit or loss);
- b) In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of Profit and Loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

q) Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- 1) Amortised cost;
- 2) Fair value through other comprehensive income (FVTOCI); or
- 3) Fair value through profit and loss (FVTPL).



SBI Pension Funds Private Limited

CIN: U66020MH2007GOI176787

Notes to the financial statements for the year ended 31st March 2020

Initial recognition and measurement

Financial asset is recognised on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortised cost and financial asset measured at fair value through other comprehensive income are presented at gross carrying value in the Financial Statements. Unamortised transaction cost and unamortised income and impairment allowance on financial asset are shown separately under the heading "Other non-financial asset", "Other non-financial liability" and "Provisions" respectively.

Based on the assessment of the business models, the Company has identified the following three choices of classification of its financial assets:

- a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;
- b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.
- c) All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are measured at FVTPL.

Financial asset at amortised cost:

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.



SBI Pension Funds Private Limited

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Notes to the financial statements for the year ended 31st March 2020

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure, basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in Other Comprehensive Income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual the gain/ loss realised is recorded in the Statement of Profit and Loss and the unrealised/gain losses recorded in OCI are recycled to the Statement of Profit and Loss.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortised cost or FVTOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset which otherwise meets the amortised cost or FVTOCI criteria as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly, the measurement principles applicable to the new classification will be applied. During the current financial and previous accounting years, there was no change in the business model under which the Company held financial assets and therefore, no reclassifications were made.

Modification and De-recognition of financial assets**Modification of financial assets**

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.



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Notes to the financial statements for the year ended 31st March 2020

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised when:

- 1) the rights to receive cash flows from the asset have expired, or
- 2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liability, Equity and Compound Financial Instruments

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

Classification

The Company classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial liability is recognised initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. The Company may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

De-recognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial



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Notes to the financial statements for the year ended 31st March 2020

liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

No gain/loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

r. Figures as on 31st March 2020 have been regrouped/rearranged wherever necessary to conform to the figures as on 31st March 2019.



NOTE "2" CASH AND CASH EQUIVALENTS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Balances with banks (in the nature of cash and cash equivalents)	1,431	203
(b) Bank deposits with maturity less than 3 months	76,600	63,800
Total	78,031	64,003

NOTE "3" OTHER BALANCES WITH BANKS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Bank deposits with maturity more than 3 months but less than 12 months	-	-
(b) Bank deposits with maturity more than 12 months	1,85,000	2,10,000
Total	1,85,000	2,10,000

NOTE "4" TRADE RECEIVABLES

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
Receivables considered good - unsecured	43,154	31,131
Less: Allowance for impairment loss	-	-
Total	43,154	31,131

NOTE "5" INVESTMENTS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Carried at Cost		
Equity Shares of SBI Foundation	10	10
Total	10	10

NOTE "6" OTHER FINANCIAL ASSETS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
Receivable from NPS Trust	1,089	-
Security Deposits	2,022	1,343
Interest accrued on Deposits (with maturity less than 12 months)	72,730	2,350
Interest accrued on Deposits (with maturity more than 12 months)	1,905	56,660
Total	77,746	60,353



NOTE "7" INCOME TAXES

(a) The income tax expense consist of the following

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
Current tax		
Current tax expense for the period	7,412	6,687
Current tax expense/(benefit) pertaining to prior years	-	-
	7,412	6,687
Deferred tax benefit		
Origination and reversal of temporary differences	585	966
Change in tax rates	-	-
	585	966
Total income tax expense recognised in the period	7,997	7,653

(b) Deferred Tax Assets

The major components of deferred tax assets and liabilities for the period ended 31st March 2020 are as follows:

PARTICULARS	Opening Balance	Recognized/ (Reversed) through profit and loss	Closing Balance
Deferred Tax Assets:-			
(a) Depreciation on property, plant & equipment	78	-78	-
(b) Unabsorbed loss to be carried forward	120	-120	-
	-	-	-
Deferred Tax Liabilities:-			
(a) Depreciation on property, plant & equipment	-	387	387
	-	-	-
Net Deferred Tax Asset/ (Liability)	198	-585	-387

Gross Deferred Tax assets and liabilities are as follows

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets:-		
(a) Depreciation on property, plant & equipment	-	78
(b) Unabsorbed loss to be carried forward	-	120
	-	-
Deferred Tax Liabilities:-		
(a) Depreciation on property, plant & equipment	387	-
	-	-
Net Deferred Tax Asset/ Liability	387	198



Notes to the Financial Statements for the period ended 31.03.2020
8. Property, Plant & Equipments
Carried at Cost

Amount in Thousands ('000)

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning Reporting period	Addition during the Period	Deduction during the Period	Value at the end Reporting Period	Value at the beginning Reporting period	Addition during the period	Deduction during the period	Value at the end Reporting Period	WDV as on End of Reporting period	WDV as on Last Reporting period
8.1	Tangible Assets										
1	Plant & Machinery	822	-	-	822	524	37	-	561	261	298
2	Furniture & fixtures	4,397	-	-	4,397	2,264	230	-	2,493	1,903	2,133
3	Office Equipment	1,306	344	-	1,650	909	160	-	1,069	581	397
4	Electrical Installations	1,954	-	-	1,954	909	103	-	1,012	941	1,045
5	Other (Computer)	2,118	3,023	-	5,141	1,623	432	-	2,056	3,085	495
	SUB TOTAL (A)	10,596	3,367	-	13,963	6,229	963	-	7,191	6,771	4,367
8.2	Intangible Assets										
		1,904	8,380	-	10,283	1,631	1,663	-	3,294	6,989	273
	SUB TOTAL (B)	1,904	8,380	-	10,283	1,631	1,663	-	3,294	6,989	273
8.3	Right of Use Asset										
		-	11,824	-	11,824	-	3,547	-	3,547	8,277	-
	SUB TOTAL (C)	-	11,824	-	11,824	-	3,547	-	3,547	8,277	-
	Total [A + B + C] (Current Year)	12,500	23,571	-	36,071	7,860	6,173	-	14,032	22,037	4,640
	Previous Year	10,061	2,778	340	12,500	7,319	837	297	7,860	4,640	2,742



NOTE "9" OTHER NON-FINANCIAL ASSETS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Advance for purchase of Treasury software	-	2,250
(b) Foreign Posting Advance	635	-
(b) Prepaid Expenses	-	-
Other Prepaid Expenses	6,027	5,949
Unamortized interest on Security Deposits	-	-
Shri Prateek Pal	0	6
Sujesh T.V	-	40
Ashish Patnaik	24	50
Ram Sushi Singh	13	22
Total	6,699	8,318

NOTE "10" OTHER PAYABLES

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Provision for Expenses	1,787	1,316
Total	1,787	1,316

NOTE "11" OTHER FINANCIAL LIABILITIES

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Payables related to Suppliers	5,350	1,361
(b) Liability for Lease Payments	8,704	-
(c) Payable related to Employees	-	20
Total	14,054	1,381

NOTE "12" PROVISIONS

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) Provision for Gratuity	1,164	667
(b) SBI - Deputies Salary Account	2,486	989
(c) Provision for Leave Encashment	83	112
Total	3,733	1,769

NOTE "13" OTHER NON-FINANCIAL LIABILITIES

PARTICULARS	As at March 31, 2020	As at March 31, 2019
At Amortised Cost		
(a) GST Payable	1,847	1,269
(b) TDS Payable	374	320
(c) Other Dues Payable	4	-
Total	2,225	1,589



NOTE "14" SHARE CAPITAL

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<u>Authorised</u>		
10,00,00,000 equity shares of ` 10/- each	10,00,000	10,00,000
Total	10,00,000	10,00,000
<u>Issued, Subscribed and paid up</u>		
3,00,00,000 equity shares of ` 10/- each fully paid up	3,00,000	3,00,000
Total	3,00,000	3,00,000

14.1 Reconciliation of number of equity shares outstanding

PARTICULARS	Actual No of Shares	Amount in '000
Equity Shares		
Opening Balance as on April 01, 2019	3,00,00,000	3,00,000
Add/Less: During the year	-	-
Closing Balance as on March 31, 2020	3,00,00,000	3,00,000

14.2 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.

14.3 Details of shareholders holding more than 5% shares in the company

	As at March 31, 2020		As at March 31, 2019	
	Actual No. of Shares	% of Total Share Capital	Actual No. of Shares	% of Total Share Capital
<u>Equity shares of `10/- each fully paid</u>				
State Bank of India Ltd.	1,80,00,000	60	1,80,00,000	60
SBI Funds Management Pvt. Ltd.	60,00,000	20	60,00,000	20
SBI Capital Markets Ltd.	60,00,000	20	60,00,000	20
	3,00,00,000	100	3,00,00,000	100

NOTE "15" OTHER EQUITY

PARTICULARS	As at March 31, 2020	As at March 31, 2019
(a) Surplus in Statement of Profit & Loss	83,870	65,004
Add:- Addition during the year	22,821	18,866
Total	1,06,691	83,870



SBI PENSION FUNDS PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDING March 31, 2020

Amt in thousands ('000)

NOTE "16" FEE AND COMMISSION INCOME

PARTICULARS	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
(a) Management Fees	39,957	28,825	1,45,055	1,03,814
Total	39,957	28,825	1,45,055	1,03,814

NOTE "17" OTHER INCOME

PARTICULARS	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
(a) Interest Income	7,134	6,461	24,158	23,600
(b) Other Income	-	3	1	47
Total	7,134	6,464	24,159	23,647

NOTE "18" EMPLOYEE BENEFIT EXPENSES

PARTICULARS	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
(a) Salaries & Wages	6,763	5,169	27,704	20,028
(b) Contribution to provident and other funds	370	352	1,775	1,583
(c) Gratuity	497	300	497	300
(d) Leave Encashment	83	112	92	112
(e) Staff welfare Expenses	228	397	1,413	843
(f) Reimbursement of Expenses	23	15	138	36
Total	7,963	6,346	31,619	22,902

18.1 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. 1,66,29/- (Previous Year : Rs. 1,31,06/-)

18.2 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. 1,775 /- (Previous Year: Rs. 1,583/-)

SBI PENSION FUNDS PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDING March 31, 2020

NOTE "19" OTHER OPERATING EXPENSES

PARTICULARS	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
Annual Fee – PFRDA	15,245	11,160	60,980	44,677
Brokerage (NPS)	7,139	2,103	12,802	6,479
Brokerage and Commission	50	35	231	168
Directors Sitting Fees	300	120	1,570	550
Electricity Expenses	146	88	634	552
IT Expenses	2,415	1,656	7,534	6,490
Insurance Charges	7	5	19	20
Legal and Professional fees	798	631	2,248	2,058
Rent, Rates & Taxes	790	1,685	3,197	6,913
Repairs & Maintenance	96	83	425	445
Traveling and Conveyance	1,069	1,391	5,161	4,344
Miscellaneous Expenses	1,274	927	4,683	3,974
Loss on Sale/Exchange of Fixed Asset	-	-	-	28
Prior Period IT/AMC Expenses	-	-	24	387
Compensation paid to NPS Trust	-	-	-	26
Amortization of Security Deposits	9	41	51	41
POP Expenses	26	-	26	-
Total	29,365	19,924	99,582	77,152

Rates and Taxes amount includes Rs.73/- (Previous Year :NIL) paid under Sabka Vishwas (Legal Dipute Resolution) Scheme, 2019 (Amnesty Scheme) towards payment of arrears of Service Tax for the period 01.04.2014 to 30.06.2017.

Note 19.1 AUDITORS' REMUNERATION

PARTICULARS	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
For Statutory Audit	19	13	75	50
Total	19	13	75	50

Note 20. Earnings per Share	For the Quarter Ending March 31, 2020	For the Quarter Ending March 31, 2019	For the year ending March 31,2020	For the year ending March 31,2019
Profit available for distribution to equity share holders	6,130	6,872	22,822	18,866
Weighted average no of equity shares (in '000)	30,000	30,000	30,000	30,000
Basic Earnings per share	0.20	0.23	0.76	0.63
Diluted Earnings per share	0.20	0.23	0.76	0.63



SBI PENSION FUNDS PVT LTD
NOTES FORMING PART OF FINANCIAL STATEMENTS

Amount in Thousands ('000)

21. Contingent liabilities and commitments	As at March 31, 2020	As at March 31, 2019
Bank Guarantees	43,000	32,000
	43,000	32,000

Performance Bank Guarantee favoring PFRDA for the period of 5 Years against pledge of Fixed deposit of Rs. 50,000/-

22. Capital commitments

There are NIL capital commitments as on 31.03.2020

23. Operating Segements

The Management has identified two operating segments i.e Pension Fund Management (PFM) and Point of Presence (PoP).

However, Business operations under PoP are not started as on 31st March 2020. Hence there was no revenue generation from this segment.

Segment Assets:

Particulars	PFM	PoP	Total
Current Account with Banks	1,421	9	1,430
Intangible Assets	3,220	3,769	6,989

Segment Liabilities

Particulars	PFM	PoP	Total
Other Financial Liabilities	3,370	1,980	5,350

24. Leases

The company has identified following Lease Agreement for Adoption of IND AS 116

Lease Agreement with State Bank of India for Office Premises. The Tenure of the agreement is valid till 31.07.2022.

Transition Method applied by the company - Retrospectively with the cumulative effect of initially applying the standard on application date i.e. 1 April 2019.

Right to Use is disclosed along with Property Plant and Equipment under Non Financial assets	11,823.97
Right to Use is amortized over the period of Lease and Same is charged to Profit and Loss as Depreciation.	3,547.19
Lease Liability for amount equals to Right to Use being further adjusted by Actual Rent Paid and Interest Component	8,704.29
Interest on Lease Liability at Notinal Rate of Return	945.92

Impact of Change In Accounting on Financial Statements as on 31.03.2020

Increase in Non Financial Assets	8,276.78
Increase in Financial Liability	8,704.29
Increase in Expenses	427.51



25. Related Party Disclosures

Key Managerial Person (KMP)

Shri. Kumar Sharadindu, Managing Director & CEO (Date of Resignation- 31.07.2019)
Shri. Narayanan Sadanandan, Managing Director & CEO (Date of Appointment- 01.08.2019)
Shri Tejas Mehta, Company Secretary & Compliance Officer
Shri Ashish Patnaik, Chief Financial Officer

Related Parties

State Bank of India- Holding Company
SBI Foundation - Subsidiary of Holding Company
SBI Funds Management Pvt. Ltd.-Associate Company
SBI Capital Markets Ltd.-Associate Company
SBI General Insurance Company Limited- Subsidiary company of Holding company

Amt in thousands ('000)

Transactions with related parties			As at March 31, 2020
Nature of transaction	Key managerial person	Body corporates where control exists	
Share Capital			
Opening Balance			3,00,000
Add : Issued during the Period			
Closing Balance			3,00,000
Deposits			
Opening Balance			2,73,800
Add: Fixed Deposit made during the Period			1,62,657
Less : Matured during the Period			1,74,857
Closing Balance			2,61,600
Interest Accrued during the Year			
Opening Balance			59,010
Add : Accrued during the Period			14,716
Less : Received during the Period			2,532
Closing Balance			1,905
Reimbursement of salary and other employee benefit			
Opening Balance			989
Add: Reimbursement bill received during the period			23,905
Less : Payment during the period			22,409
Closing Balance			2,486
Interest Received			23,776
Rent Paid			4,066
Insurance			19
Salary Paid to KMPs during the year			
MD & CEO		5,114	
Company Secretary		904	
Chief Financial Officer		2,532	



26 Maturity Analysis

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at March-20	Within 12 months	After 12 months	As at March-19	Within 12 months	After 12 months
ASSETS						
Financial Assets						
Cash and cash equivalents	78,031	78,031	-	64,003	64,003	-
Bank balance other than above	1,85,000	1,85,000	-	2,10,000	-	2,10,000
Securities for trade	-	-	-	-	-	-
Receivables	-	-	-	-	-	-
Trade Receivables	43,154	43,154	-	31,131	31,131	-
Other Receivables	-	-	-	-	-	-
Investments	10	-	10	10	-	10
Other Financial assets	77,747	75,724	2,022	60,353	2,350	58,003
Total Financial Assets	3,83,941	3,81,909	2,032	3,65,497	97,484	2,68,013
Non-financial Assets						
Deferred tax Assets (Net)	-	-	-	198	198	-
Current tax asset (Net)	16,200	6,321	9,879	11,272	4,951	6,321
Investment Property	-	-	-	-	-	-
Property, Plant and Equipment	15,049	-	15,049	4,367	-	4,367
Capital work in progress	-	-	-	-	-	-
Intangible assets	6,989	-	6,989	273	-	273
Other non-financial assets	6,699	6,662	37	8,318	8,199	119
Total Non - Financial Assets	44,937	12,983	31,954	24,428	13,349	11,079
TOTAL ASSETS	4,28,878	3,94,891	33,987	3,89,925	1,10,832	2,79,092
LIABILITIES AND EQUITY						
LIABILITIES						
Financial Liabilities						
Payables	1,787	1,787	-	1,316	1,316	-
Borrowings	-	-	-	-	-	-
Other financial liabilities	14,054	5,350	8,704	1,381	1,381	-
Total Financial Liability	15,842	7,137	8,704	2,697	2,697	-
Non-Financial Liabilities						
Deferred tax Liabilities (Net)	387	-	387	-	-	-
Provisions	3,732	2,568	1,164	1,769	1,102	667
Other non-financial liabilities	2,226	2,226	-	1,589	1,589	-
Total non financial Liability	6,345	4,794	1,551	3,358	2,690	667
	-	-	-	-	0	0
Total Liabilities	22,187	11,931	10,255	6,055	5,387	667
Net	4,06,691	3,82,960	23,731	3,83,870	1,05,445	2,78,425



INDEPENDENT AUDITOR'S REPORT

To

The Members of **SBI PENSION FUNDS PRIVATE LIMITED**

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying standalone Ind AS financial statements of **SBI Pension Funds Private Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

2. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

3. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and such other disclosures related Information, excluding the standalone Ind AS financial statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

RESPONSIBILITY OF MANAGEMENT FOR STANDALONE IND AS FINANCIAL STATEMENTS

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

5. 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 Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
6. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164 (2) of the Act.



- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
- (i) The Company does not have any pending litigations as at 31 March 2020 which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i. 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 financial statements of the company, we report as under:

		<u>Remark</u>
I.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes. If accounting process is outside IT system, integrity and reliability of accounting system would be jeopardized since there is no maker / checker concept in manual accounting.
II.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	N.A.
III.	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	N.A.

For **Pradhan Phadke & Associates**
Firm registration no. 108035W
Chartered Accountants



Chirag Raut
Chirag R. Raut
Partner
Membership No. 161067
UDIN: 20161067AAAAAM9081

Place: Mumbai
Date: April 23rd 2020

ANNEXURE "A" : THE INDEPENDENT AUDITOR'S REPORT

To

The Members of SBI PENSION FUNDS PRIVATE LIMITED

[Referred to in paragraph (5) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of physical verification is reasonable.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property in the name of the company.
- ii. The Company is a pension fund management Company and does not have any inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (the 'Act'). Accordingly, the provision of clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or securities covered under sections 185 and 186 of the Act and in respect of investments made by the company, provisions of section 186 has been complied with.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us the Company did not have any dues on account of duty of customs and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, the Company did not have any dues on account of income tax, sales tax, service tax, duty of customs, value added tax, goods and service tax and duty of excise which have not been deposited on account of dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions, banks, or debenture holders during the year. During the year, the Company did not have any loans or borrowing from the Government.
- ix. In our opinion and according to the information and explanations given to us, the Company has not have taken any term loans. The Company has not raised any money by way of initial public offer or further public offer during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during



the course of our audit.

- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the accompanying financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.
- xvi. The Company is a pension fund management company and thus is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pradhan Phadke & Associates

Firm registration no. 108035W

Chartered Accountants



Chirag Raut
Chirag R. Raut
Partner

Membership No. 161067

UDIN: 20161067AAAAAM9081

Place: Mumbai

Date: April 23rd 2020

ANNEXURE "B" : THE INDEPENDENT AUDITOR'S REPORT

To

The Members of SBI PENSION FUNDS PRIVATE LIMITED

[Referred to in paragraph (6 (f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

REPORT ON THE INTERNAL FINANCIAL CONTROLS under Clause (i) of Sub-section 3 of Section 143 of ("the Act")

We have audited the internal financial controls over financial reporting of SBI Pension Funds Private Limited ("the Company") as at March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies



or procedures may deteriorate.

OPINION

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Pradhan Phadke & Associates**

Firm registration no. 108035W

Chartered Accountants



Chirag Raut
Chirag R. Raut

Partner

Membership No. 161067

UDIN: 20161067AAAAAM9081

Place: Mumbai

Date: April 23rd 2020



PRADHAN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS

Branch Office: A/1, 1st Flr, Nirman
CHSL, Ranisati Nagar, S.V. Road,
Malad (W), Mumbai - 400064.

Tel. No.: 022-2888 4777

Email ID: office@ppaca.in

Compliance Certificate

We have conducted the audit of the accounts of **SBI Pension Funds Private Limited** for the year ended 31st March, 2020 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 Pradhan Phadke & Associates

Chartered Accountants

Firm registration no. 108035W



Chirag Raut

Chirag R. Raut

Partner

Membership No. 161067

UDIN: 20161067AAAAAN2001

Place: Mumbai

Date: 23rd April 2020



PRADHAN PHADKE & ASSOCIATES
CHARTERED ACCOUNTANTS

Branch Office: A/1, 1st Flr, Nirman
CHSL, Ranisati Nagar, S.V. Road,
Malad (W), Mumbai - 400064.

Tel. No.: 022-2888 4777

Email ID: office@ppaca.in

TO WHOMSOEVER IT MAY CONCERN

This is to certify that, the Net worth Statement of **M/s. SBI PENSION FUNDS PRIVATE LIMITED** having CIN: **U66020MH2007GOI176787**, registered address at SBI Pension Funds (P) Limited, Maker chambers III, Nariman Point, Mumbai City- 400021, Maharashtra, India as on 31st March, 2020, as per below mentioned statement of computation of networth is ` **40,66,91,596/- (Rupees Fourty Crores Sixty Six Lakhs Ninety One Thousand Five Hundred and Ninety-Six only).**

Computation of networth as on 31/03/2020

Particulars	Amount (in `)	Amount (in `)
Share Capital	30,00,00,000/-	
Reserves & Surplus	10,66,91,596/-	
NET ASSETS / NETWORTH	----->	40,66,91,596/-

The above statement is prepared on specific request of client and based on the records and documents produced before us for verification.

For Pradhan Phadke & Associates

Chartered Accountants

Firm registration no. 108035W



Chirag R. Raut

Partner

Membership No. 161067

UDIN: 20161067AAAAAO7590

Place: Mumbai

Date: 23rd April 2020