



LIC Pension Fund Ltd.



YOU SAVE, WE SECURE PEACEFUL RETIREMENT

**15th Annual Report
2021 - 2022**

BOARD OF DIRECTORS



Shri M. R. Kumar
Chairman



Shri S. Mohanty
Non Executive Director



Shri Gopal Singh Gusain
Independent Director
(w.e.f. 01.04.2022)



Shri Debasish Mohanty
Independent Director
(w.e.f. 01.04.2022)



Smt. Sashikala Murlidharan
Independent Director
(w.e.f. 01.04.2022)



Shri Kishor Kharat
Independent Director
(w.e.f. 01.08.2022)



Shri Raghupal Singh
MD & CEO
(w.e.f. 01.05.2022)



Shri Subramania Kumar
Independent Director
(w.e.f. 01.04.2022)
(Resigned on 17.06.2022)



Shri Jagdish Capoor
Independent Director
(Upto 31.03.2022)



Shri M. N. Singh
Independent Director
(Upto 31.03.2022)



Smt. Bhavna G. Doshi
Independent Director
(Upto 31.03.2022)



Smt. Priti Panwar
MD & CEO
(Upto 29.04.2022)

FIFTEENTH ANNUAL REPORT

2021-2022



LIC Pension Fund Ltd.



LIC Pension Fund Ltd.

Banker to the Company

KOTAK MAHINDRA BANK LTD.

UNION BANK OF INDIA

Statutory Auditors

M/S. BATHIYA & ASSOCIATES, LLP, CHARTERED ACCOUNTANTS

Internal Auditors

M/S. KOCHAR & ASSOCIATES, CHARTERED ACCOUNTANTS

Company Secretary

SHRI. AVINASH C. ABHYANKAR

Registered Office

LIC Pension Fund Limited

CIN - U66020MH2007PLC176066

“Yogakshema”, East Wing, Floor 7,

Jeevan Bima Marg,

Mumbai – 400 021.

Tel : 022-22882871

E-mail : licpensionfund@licindia.com

Website : www.licpensionfund.in

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LIC Pension Fund Ltd.

Fifteenth Annual Report 2021-2022

DIRECTORS' REPORT

To,
The Members,
LIC Pension Fund Ltd.

Your Directors have pleasure in presenting their Fifteenth Report together with the audited Financial Statements for the year ended 31st March, 2022.

Financial Results

Summary of your Company's financial performance is given below:

(Amt. in ₹ in 000)

Sr. No.	Particulars	Year ended 31 st March	
		2022	2021
1.	Income from Operations	9,38,971	1,46,863
2.	Other Income	42,283	37,901
3.	Total (1+2)	9,81,254	1,84,764
4.	Management expenses	3,65,041	1,49,449
5.	Profit before Tax (3-4)	6,16,213	35,315
6.	Tax Expenses	1,53,024	10,268
7.	Profit after Tax (5-6)	4,63,189	25,047
8.	Paid up Capital	5,00,000	3,00,000
9.	Net Worth	10,69,526	4,06,337

Note:

Amount due to Sponsor (LIC of India) as on 31.03.2022 was ₹2,47,65,568/- as against ₹13,45,83,762/- as on 31.03.2021, and this has been duly accounted for in the Management Expenses.

Dividend

Considering the overall performance during the year 2021-22, your Directors have recommended a maiden dividend of Re.1/- per equity share (10%) for the year ended 31st March, 2022. The total dividend outgo will amount to ₹ 5,00,00,000 and will be subject to deduction of tax.

State of Company's Affairs / Performance

The Company earned a total income of ₹ 98,12,53,804/- for the year under review as against ₹18,47,64,216/- for the previous year, an increase of more than 500% as the management fee of the Company has gone up due to increase in Asset Under Management (AUM) and Investment Management Fee as per Clause 3 of Certificate of Registration issued to LIC Pension Fund Limited (the Company / LICPFL) on March 30, 2021. Profit before tax and after tax stood at ₹ 61,62,12,681/- and ₹46,31,88,537/- respectively for year under report as against ₹ 3,53,14,998/- and ₹ 2,50,46,948/- respectively for the previous year.



The Net Worth of the Company as at the close of the financial year was ₹ 1,06,95,26,028/- as against ₹ 40,63,37,492/-. The variation in the net worth is ₹ 66,31,88,536/-.

For the financial year 2021-22 Management fee was charged as per the following slab structure of Asset Under Management on funds managed by LICPFL.

Slabs of AUM (₹)	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

Share Capital

The Company increased its Authorised Share Capital from ₹ 40,00,00,000/- to ₹ 50,00,00,000/- vide Special Resolution passed by the members at the 14th AGM held on 28th September, 2021.

The Company allotted 2,00,00,000 Equity Shares of ₹ 10/- each for cash at par amounting to ₹ 20,00,00,000 to LIC of India via Right Issue on 14th December, 2021. After the said allotment, the paid up share capital of the Company stood at ₹ 50,00,00,000/-.

Amounts Transferred to Reserves

The Company has transferred ₹ 46,31,88,537/- to Reserves.

Financial Highlights

In the Financial year 2021-22, LIC Pension Fund Limited has received an amount of ₹ 33,493.23 Crore as fresh inflow in respect of the following schemes:

Scheme	Amount in ₹ Crore
Central Govt. Scheme	8,460.24
State Govt. Scheme	20,544.90
NPS Lite Scheme	9.55
Corporate - CG Scheme	280.72
Atal Pension Yojana (APY)	1,340.99
E Tier I	687.31
C Tier I	720.52

Scheme	Amount in ₹ Crore
G Tier I	1,385.12
E Tier II	21.48
C Tier II	18.75
G Tier II	20.00
A Tier I	3.09
Tax Saver Tier II	0.54
Total	33,493.23

Summary of Assets under Management of the Company as on 31st March for last three financial years was as follows:

Particulars	Amount in ₹ Crore
31-Mar-20	121,027.67
31-Mar-21	163,389.50
31-Mar-22	209,386.28

The Company is managing the AUM of ₹ 2,09,386.28 Crore as at 31.03.2022 under the following NPS schemes:

Name of the Scheme	AUM as on 31.03.2022 (₹ In Cr.)
Central Govt. Scheme	69,678.87
State Govt. Scheme	121,709.06
NPS Lite Scheme	1,369.96
Corporate-CG-Scheme	2,351.38
E Tier I	2,539.64
C Tier I	1,613.98
G Tier I	2,905.97
E Tier II	93.17
C Tier II	60.12
G Tier II	139.64
Atal Pension Yojana	6,916.23
A Tier I	7.48
Tax Saver Tier II	0.78
Total	2,09,386.28



Investment Pattern of the Company for Schemes under Govt. Sector and Corporate CG/NPS Lite (based on the directives of PFRDA) for the financial year 2021-22 is detailed below:-

Sr. No.	Instruments	Prescribed limit
1	Government Securities, Govt. Securities (Central Govt. & State Government)	Upto 55%
2	Corporate Bonds, PSU Bonds, Private Corporate Debt, Fixed Deposit	Upto 45%
3	Money Market Instruments	Upto 10%
4	Equity	Upto 15%
5	Assets Backed, Trust Structured and Misc. Investments	Upto 05%

Asset Class E (Equity Market Instruments) - The investment under Equity Asset Class can be made in the shares of bodies corporate listed on BSE or NSE which are in top 200 stocks in terms of full market capitalization as on date of Investment.

Asset class G (Government Securities) – This asset class will be invested in Central Government Securities and State Development Loans.

Asset class C (credit risk bearing fixed income instruments) – This asset class contains bonds issued by any entity other than Central and State Government. This asset class includes investment in Fixed deposits and credit rated debt securities. This also includes rated bonds/securities of Public Financial Institutions and Public sector companies, rated municipal bodies/infrastructure bonds.

Asset class A (Alternate Investment Schemes) – The Pension Fund Regulatory and Development Authority (PFRDA) has introduced the A Tier I with effect from October 10, 2016. This asset class permits Investment in SEBI Regulated ‘Alternative Investment Funds’ AIF (Category I and Category II only) as defined under the SEBI (Alternative Investment Fund) regulations 2012 as well as investment in units of Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (Inv ITs), and securitized papers.

NAV for Government Sector NPS:

Scheme	31.03.2022	31.03.2021	Growth
	(in ₹)	(in ₹)	(%)
Central Government	36.3989	33.956	7.19%
State Government	32.3897	30.2459	7.09%
NPS Lite Scheme - Govt. Pattern	30.2792	28.2196	7.30%
Corporate CG	23.9937	22.3595	7.31%
Atal Pension Yojana (APY) Scheme	18.557	17.3213	7.13%

NAV for Private Sector NPS:

Scheme	31.03.2022	31.03.2021	Growth
	(in ₹)	(in ₹)	(%)
E Tier -I	28.978	24.0674	20.40%
C Tier –I	22.5008	21.1942	6.16%
G Tier –I	23.6743	22.7484	4.07%
E Tier – II	24.227	20.1674	20.13%
C Tier- II	21.398	20.1352	6.27%
G Tier- II	24.0289	23.0377	4.30%
A Tier – I	15.0663	13.9748	7.81%
Tax Saver Scheme	10.9396	10.2264	6.97%

The performance of these funds depends on market conditions, investment strategy, ability to forecast market movements, etc. The Company could register good performance due to the Company's ability to forecast the market movements and asset reallocation strategy adopted in fund management.

Fixed Deposits

The Company has not accepted any Deposits from public during the year under review.

Auditors

The Auditors of your Company are appointed by the Comptroller and Auditor General of India (CAG). Bathiya & Associates LLP, Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company by the CAG for the financial year 2021-22.

Auditors' Report

The Auditors' report does not contain any qualifications, reservations, adverse remarks or disclaimer.

There were no frauds reported by auditors under sub-section (12) of Section 143 as also which are reportable to the Central Government.

Audit Committee

As on 31st March, 2022, the Audit Committee of the Company comprised of three Directors viz.:

Shri Jagdish Capoor*	Chairman
Shri M.N.Singh*	Member
Shri. Siddhartha Mohanty	Member

*Retired on 31.03.2022



The Audit Committee was re-constituted on April 1, 2022 comprising of following Directors:

Shri. Gopal Singh Gusain	Chairman
Shri. Siddhartha Mohanty	Member
Shri. Debasish Mohanty	Member
Smt. Sashikala Muralidharan	Member

Secretarial Auditor

The Board of Director has appointed Shri. P S Gupchup, Practicing Company Secretary (C.O.P. No. 9900) for conducting secretarial audit for the year ended 31st March, 2022.

There are no observations made by the said Auditor. The Secretarial Audit Report is annexed to this Report as **Annexure 1**.

Directors & Key Managerial Personnel

During the year, designation of Shri. Siddhartha Mohanty was changed from Additional Director to Nominee Director as approved at the last Annual General Meeting held on 28th September, 2021.

The members approved the extension of appointment of Smt. Priti Panwar as Managing Director w.e.f. 10th March, 2021 till the date of her superannuation or till further orders received from LIC of India, whichever is earlier, in the last Annual General Meeting (AGM) held on 28th September, 2021.

Shri Jagdish Capoor, Shri M.N.Singh and Smt. Bhavna Doshi, Independent Directors, retired on 31st March, 2022. The Board has placed on record its appreciation of the valuable services and guidance provided by them during their tenure.

Shri. Debasish Mohanty, Shri Gopal Singh Gusain, Shri. R. Subramaniakumar and Smt. Sashikala Muralidharan were appointed as Additional Directors (Non Executive Independent Directors) of the Company w.e.f. 1st April, 2022. However, Shri. R Subramaniakumar resigned w.e.f. 17th June, 2022. Shri. Debasish Mohanty, Shri. Gopal Singh Gusain and Smt. Sashikala Muralidharan hold office upto the date of this AGM and are eligible for re-appointment as Independent Directors for a period of 3 years commencing from 1st April, 2022 to 31st March, 2025.

Smt. Priti Panwar resigned as Managing Director of the Company w.e.f. 29th April, 2022. The Board has placed on record its appreciation for the valuable services rendered by her during her tenure.

Shri. Raghupal Singh was appointed as Managing Director w.e.f. 1st May, 2022 to 31.08.2024 i.e. till the date of his superannuation or till such time as may be decided by LIC of India, subject to the approval of the members at the ensuing AGM.

Shri. Siddhartha Mohanty retires by rotation at the ensuing AGM and is eligible for reappointment.

Shri. Kishor Kharat is being appointed as an Additional Director (Non Executive Independent Director) of the Company in the Board meeting held on 28th July, 2022 w.e.f. 1st August, 2022 who shall hold office upto the date of this AGM and is eligible for re-appointment as Independent Director for a period of 3 year commencing from 1st August, 2022 to 31st July, 2025.

Shri. Kanhaya Lal Gupta was appointed as Chief Financial Officer (CFO) w.e.f. 23rd July, 2021.

A Statement on declaration given by Independent Directors under Section 149(6) of the Act

Pursuant to the provisions of Section 149(6) of the Companies Act, 2013, all the Independent Directors have given the required declaration confirming their independence.

Number of Board Meetings

The Board of Directors held total 6 (Six) meetings during the financial year, the dates of which were 29.04.2021, 23.07.2021, 28.09.2021, 28.10.2021, 20.01.2022 & 25.03.2022.

Policy on Director's appointment and remuneration and other details

Pursuant to Section 178(3) of the Companies Act, 2013 the Nomination and Remuneration Committee has laid down the policy relating to the remuneration of directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee of the Company for the year comprised of three Directors viz.:

Shri. M. N. Singh	Chairman
Shri. Jagdish Capoor	Member
Smt. Bhavna Doshi	Member

All the aforesaid Directors retired as Independent Directors on 31.03.2022

The Nomination and Remuneration Committee was re-constituted on April 1, 2022 comprising of following Directors:

Shri. Debasish Mohanty	Chairman
Smt. Sashikala Muralidharan	Member
Shri. Gopal Singh Gusain	Member

Remuneration to Independent Directors:

The Independent Directors receive remuneration by way of sitting fees for attending the meetings of the Board and/ or Committees thereof. The amount of sitting fees paid to such Directors is decided by the Board from time to time subject to the limits specified under the Companies Act, 2013. Apart from sitting fees no other remuneration / commission is paid to them.

Remuneration to Non-Executive Promoter Directors

LIC of India, promoter of the Company, appoints the Non-Executive Promoter Directors. Such Promoter Directors are not entitled to any sitting fees.

Remuneration to Executive Promoter Director:

Executive Promoter Director who is Managing Director & CEO is paid remuneration as applicable to an Officer in the cadre of Executive Director of LIC of India. As and when there is any revision in the pay scales of the Executive Directors as per the charter decided by the LIC of India from time to time, then the same is made applicable to the Executive Promoter Director. Further, tenure and terms & conditions of appointment of Executive Promoter Director are as decided by LIC of India from time to time.



Remuneration to Key Managerial Personnel (other than MD & CEO) and other employees:

Presently, apart from Managing Director & CEO, Company Secretary and Chief Financial Officer constitute the Key Managerial Personnel.

Remuneration payable to Company Secretary is decided by the Board from time to time.

Chief Financial Officer and all other employees, except Company Secretary, are on deputation from LIC of India and the amount of remuneration paid to them is as applicable to their respective cadre.

Manner of Formal Evaluation of Board, Committees and Directors

Pursuant to the provisions of the Companies Act, 2013, the annual performance of the Board, its committees and Directors including Independent Directors was evaluated. Annual Performance Evaluation of the Board and its Committees was carried through group discussions and by seeking inputs from the Directors with regard to composition and structure of the Board/ Committees, functioning of the Board/ Committees, Board/ Committee processes, access to timely, accurate and relevant information, etc. The Directors were individually evaluated by the Board based on parameters such as engagement, functional knowledge, analysis, decision making, communication, etc.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

(A) Conservation of Energy-

- (i) The steps taken or impact on conservation of energy- As the Company is engaged in business of investment management of Pension Assets, scope to conserve energy is limited. However, efforts are made to conserve energy wherever possible. The Electricity Expenses for the year amounted to ₹ 4,53,734/- as against ₹ 3,55,867/- for the previous year.
- (ii) The steps taken by the Company for utilizing alternate sources of energy – The Company may explore possibilities for utilizing alternate sources of energy as feasible.
- (iii) The capital investment on energy conservation equipment – Nil.

(B) Technology absorption

- (i) The efforts made towards technology absorption – Not applicable
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution - Not applicable
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) The details of technology imported - Not applicable
 - (b) The year of import - Not applicable
 - (c) Whether the technology has been fully absorbed - Not applicable
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not applicable
 - and
- (iv) The expenditure incurred on Research and Development - Not applicable

(C) Foreign Exchange earnings and outgo

The foreign exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - There were no Foreign Exchange earnings and outgo during the year.

Regulatory Compliance

The Company has been following guidelines, directions and circulars issued by Ministry of Corporate Affairs, PFRDA, NPS Trust and other appropriate authorities from time to time as applicable to the Company.

Risk Management Policy

The Company has a structured risk management policy. The risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The Company has identified the following risks for the Company;

- Critical knowledge loss
- Skills shortage
- Non-compliance
- Regulatory Risks
- Potential business loss risk
- Competition risk
- Asset Liability mismatch risk
- Third party risks
- Cyber Security Risk etc

In the opinion of the Board there are no risks that may threaten the existence of the Company.

Change in the nature of Business, if any;

During the year under review, there was no change in the nature of business of the Company.

Orders by Regulators, Courts or Tribunals

No orders were passed by any regulator or court or tribunal impacting the going concern status and the Company's operations in future.

Internal Financial Controls

The Internal Controls of the Company are adequate and commensurate with the size and scale of the operations. These controls operate through well documented standard operating procedures, policies and process guidelines that are designed to provide reasonable assurance to management of the reliability of financial information compliance to operating and adherence to Statutory / regulatory requirements. The Internal Controls are routinely tested and certified by the Internal as well as the Statutory Auditors. Significant audit observations and the management actions thereon are reported to the Audit Committee on a quarterly basis. The Audit committee reviews the observations and assesses the adequacy of the actions proposed as well as monitors their implementation.



Particulars of Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013

All contracts/ arrangements/ transactions entered by the Company during the financial year with the related parties were in ordinary course of business and on arm's length basis. Particulars of transactions with related parties referred to in Section 188(1) of the Companies Act, 2013 have been given in **Annexure 2.**

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

During the year, the Company has not granted any loans or provided guarantees or made any investments under Section 186 of the Companies Act, 2013. The particulars stating nil transactions have been given in **Annexure 3**

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on 31.03.2022 shall be placed on the website of the Company-www.licpensionfund.in.

Corporate Social Responsibility

As provisions of Corporate Social Responsibility (CSR) became applicable to the Company, a CSR committee was constituted on April 1, 2022 comprising of following Directors:

Shri. R Subramaniakumar*	Chairperson
Shri. Raghupal Singh	Member
Shri. Gopal Singh Gusain	Member

*Resigned on 17th June, 2022

The approach of the committee will be oriented to identify corporate social responsibility related projects in relation to the need of society and to fulfill the CSR obligations with full involvement and commitment in a time bound manner.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Directors state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- (c) the directors had taken proper and sufficient care 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;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Material changes and commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements of the Company relate and the date of this report.

Prevention of Sexual Harassment at workplace

The Company firmly believes in providing a safe and harassment free working environment for its employees. It has a zero-tolerance policy towards sexual harassment and has adopted Policy on Prevention of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was received.

Particulars of Employees

The disclosure pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 is not applicable as during the financial year none of the employees was in receipt of remuneration of more than ₹ 8.50 Lakh per month or ₹ 102 Lakh per annum.

Secretarial Standards

The Company has complied with the applicable secretarial standards.

Acknowledgments

Your directors would like to place on record their appreciation of the support extended by Life Insurance Corporation of India, the Sponsor of LIC Pension Fund Ltd., Pension Fund Regulatory and Development Authority (PFRDA), National Pension System Trust (NPS Trust), Ministry of Corporate Affairs, Registrar of Companies, Mumbai, Protean e-Gov Technologies Limited (formerly NSDL), KFin Technologies Private Limited (KFintech) and Computer Age Management Services (CAMS) as Central Recordkeeping Agencies



(CRAs), Axis Bank , Bank of India - Trustee bank, Stock Holding Corporation of India Limited -Custodian, Deutsche Bank AG–New Custodian, M/s. Bathiya & Associates LLP, Chartered Accountants - Statutory Auditors of the Company Accounts, M/s. Kochar and Associates, Chartered Accountants - Internal Auditors, M/S Asa & Associates LLP, Chartered Accountants, Statutory Auditors of the Scheme Accounts managed by the Company, Shri Prasanna Gupchup - Practicing Company Secretary and Auditor, M/s Vyankatesh Joshi & Company- Tax Consultants, Brokers and other Government agencies. Your Directors would also like to place on record the contribution made by the officials at all levels for the success of your company during the year.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai

Date : 28th July, 2022

CHAIRMAN

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
LIC Pension Fund Limited
Yogakshema,
Jeevan, Bima Marg,
Mumbai - 400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **LIC PENSION FUND LIMITED (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records as maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have scrutinized the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; - **Not Applicable during the audit period**
- (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable during the audit period**
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015; - **Not Applicable during the audit period**
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable during the audit period**



- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **to the extent applicable during the audit period**
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the audit period**
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations)- **Not Applicable during the audit period**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the audit period**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable during the audit period**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the audit period**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable during the audit period**
- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; - **Not Applicable during the audit period**

(vi) Other Applicable Acts:

- a) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952
- b) The Payment of Gratuity Act, 1972
- c) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- d) The Pension Fund Regulatory and Development Authority Act, 2013 (PFRDA) and Guidelines, Notifications & Circulars as may be applicable.
- e) Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015
- f) Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015
- g) The Maharashtra Shops Establishments Act, 2017

I have also reviewed the compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) – **Not Applicable**

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

I further report that the Board of Directors of the Company is duly constituted, maintaining proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

During the year, the following specific events/actions having major bearing on the Company's affairs took place in pursuance of the above referred laws, rules and regulations:

The Company allotted 2,00,00,000 Equity Shares of ₹ 10/- each aggregating to ₹ 20,00,00,000 to LIC of India, vide Rights Issue, on 14th December, 2021 in proportion of 2 Equity Shares for every 3 Equity Shares held by it.

Place: Mumbai

Date: 26th July, 2022

P.S. Gupchup

Practicing Company Secretary

M. NO. 4631; C.O.P NO.: 9900

UDIN: A004631D000690008

Note : This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



ANNEXURE - A

To,
The Members,
LIC Pension Fund Limited
Yogakshema,
Jeevan, Bima Marg,
Mumbai - 400021

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 26th July, 2022

P.S. Gupchup

Practicing Company Secretary

M. NO. 4631; C.O.P NO.: 9900

UDIN: A004631D000690008

ANNEXURE 2

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis: NIL
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188.
2. Details of material contracts or arrangement or transactions on an arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts/ Agreements transactions	Duration of contracts/ Agreements transaction	Salient terms of the Contract or arrangement or transactions including the value	Date of Approval by Board	Amount paid as advance
1	LIC OF INDIA Holding Company	Reimbursement of Salaries, fixed assets and expenses and reimbursement towards fixed assets	On going	The operation expenses incurred by LIC of India on behalf of the Company are reimbursed by the Company from time to time. During 2021-22 such reimbursements amounted to ₹22,13,58,568/-	N.A.	NIL

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai.

Date : 28th July, 2022

CHAIRMAN



**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF
THE COMPANIES ACT, 2013**

The particulars with respect to loans given and / or guarantees / security provided and / or investments made during the financial year 2021 - 22 :

Name of the Entity	Relation	Amount	Particulars of loans / guarantees given, security provided or investments made	Purpose for which the loans, guarantees given or investments are proposed to be utilized
-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai

Date: 28th July, 2022

CHAIRMAN

Financial Statements for the year 2021-22



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF LIC PENSION FUND LIMITED FOR THE YEAR ENDED 31 MARCH 2022.

The preparation of financial statements of LIC Pension Fund Limited for the year ended 31 March 2022 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 28 April 2022.

The assets under management through various schemes managed by LIC Pension Fund Limited are not reflected in its Balance Sheet, since these assets do not form part of the LIC Pension Fund 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 LIC Pension Fund Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of LIC Pension Fund Limited for the year ended 31 March 2022 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

P.V. Hari Krishna

Principal Director of Audit (Shipping), Mumbai

Place: Mumbai

Date: 24.08.2022

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
LIC Pension Fund Limited.

Report on the Audit of the Financial Statements:

Opinion

We have audited the standalone financial statements of **LIC Pension Fund Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss and Cash Flow Statement 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 financial statements give the information required by the Companies Act, 2013 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 March 31, 2022,
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date;
- c) In the case of the Statement of Cash Flow, of the cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of Matter – Effects of COVID-19

We draw attention to Note No. 19(10) in the financial statements, which describes the uncertainties and the impact of the Covid-19 pandemic on the Company's operations and financial statements as assessed by the management. The actual impacts may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.



Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

1. As required by Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 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 relating to preparation of the financial statements 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 and the cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these financial statements;
 - d. In our opinion, the aforesaid financial statements comply with the generally accepted accounting principles 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, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g. With respect to the other matters to be included in the Auditors' 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:
 - i. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was no amount required to be transferred to Investor Education and Protection Fund by the Company in accordance to the provision of the Act, and rules made there under.
 - iv. a) As per the information and explanation given by the management and examined by us to the best of our knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(entities), including foreign entities ("Intermediaries"), with the

understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries, other than those disclosed in the notes to accounts

- b) As per the information and explanation given by the management and examined by us to the best of our knowledge and belief, , no funds have been received by the company from any person(s) or entity(entities), including foreign entities ("Funding Parties"), with the Understanding, whether recorded in writing or otherwise , that the company shall , whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, other than those disclosed in the notes to accounts
- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that representations under sub-clause (a) and (b) may contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year hence the provisions of Section 123 of Companies Act, 2013 are not applicable.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company being a Government Company, the provisions of Section 197 of the Act are not applicable.



As required by Section 143(5) of the Act and in pursuance of directions and sub-directions, issued by the office of the C &A.G. of India for the year ended March 31,2022, we report that:

Sr. No.	Directions	Reply
1	Whether the company has system in place to process all accounting transactions through IT system ? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with financial implications, if any, may be stated.	The company has system in place to process all the accounting transaction through IT system. Company has maintained accounts on Tally software. The company is not importing any data from any other software. However depreciation and Interest calculation is done manually.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off to debts/ loan/ interest etc. made by a lender to the company due to company's inability to repay the loan ? If yes, the financial impact may be stated. Whether such cases are properly accounted for ? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	Based on our examination of records no restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by the lender.
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes for central/ state Government or its agencies were properly accounted for/ utilized as per its term & conditions? List the cases of deviation.	Based on our examination of records, no fund received/ receivable for specific schemes from central/ state agencies. Hence, proper utilization of fund as per the scheme is not applicable to the Company.

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration No. 101046W / W100063

Vinod Shah

Partner

Membership No.: 032348

Place: Mumbai

Date: 28th April 2022

UDIN: 22032348AIYGMC9310

Annexure A to Independent Auditor's Report

Re: LIC Pension Fund Limited

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. In respect of Property, plant, equipment and Intangible assets
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant, equipment and intangible assets.
 - b. As per the information and explanation given to us and records examined by us, all the assets have been physically verified by the management at regular interval which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. The Company does not hold any immovable property, hence the clause regarding title of immovable property is not applicable.
- ii.
 - a. The Company is not manufacturing or trading in any product hence it does not hold any physical inventories. Thus, provisions of clause 3(ii) of the Order are not applicable. Hence the requirements of physical verification and discrepancy for the same are not applicable to the Company.
 - b. During any point of time of the year, the company has not been sanctioned working capital limits in excess of 5 crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets hence verification of relevant statements is not applicable.
- iii. According to the information and explanations given to us and records examined by us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.
- iv. The Company has not given loans, made investments, given guarantees and provided securities covered by section 185 and 186 of the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year, within the meaning of sections 73 to 76 of the Act or directives issued by Reserve Bank of India or any other relevant provisions of the Act and the rules framed there under and therefore, clause (v) of the Order is not applicable to the Company. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal against the company.
- vi. According to the information given to us, Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, Therefore, provisions of Clause 3(vi) of the Order are not applicable for the Company.



vii. In respect of statutory dues:

- a. As per information and explanations given to us and records examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Profession Tax, Sales Tax, Goods and Services Tax, Service Tax, Value added tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities. Further, there are no undisputed amounts payable in respect of Income-Tax, Goods and Services Tax, Sales Tax, Value added tax, Service Tax, Customs Duty, Excise Duty and Cess which were in arrears, as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b. There are no dues referred to in sub-clause (a), which have not been deposited on account of any dispute.

viii. According to the information and explanations given by the management and records examined by us there are no transactions which are not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) According to the information and explanations given by the management and records examined by us, the Company has not obtained any funds, loan or other borrowings from any lender. Therefore clause 3(ix)(a)(c)(d)(e)(f) of the aforesaid Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

x. (a) According to the information and explanations given by the management and records examined by us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the clause 3(x)(a) of the aforesaid Order is not applicable to the Company.

or (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore clause 3(x)(b) of the aforesaid order is not applicable.

xi. (a) 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 information and explanations given to us, we have neither come across any instances of fraud by the Company, or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor we have been informed of such case by the management.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government.

(c) According to the information and explanations given by the management and records examined by us no whistle blower complaints have been received during the year.

xii. The Company is not a Nidhi Company. Therefore clause 3(xii)(a)(b)(c) of the aforesaid Order is not applicable to the company

xiii. In our opinion and according to the information and explanations given to us, in respect of related party transactions the Company has complied with Section 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv.** (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, time and extent of our audit procedures.
- xv.** According to the information and explanations given by the management and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him, under Section 192 of the Act. Accordingly, clause (xv) of the Order is not applicable.
- xvi.** (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act 1934; therefore the said sub-clause is not applicable.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India; therefore the sub-clause(c) and (d) is not applicable.
- xvii.** The company has not incurred cash losses in the financial year and in the immediately preceding financial year, hence clause 3 (xvii) of the order is not applicable.
- xviii.** There is no resignation of the statutory auditors during the year, hence clause 3 (xviii) of the order is not applicable.
- xix.** On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the director's report, management discussion and analysis forming part of the annual report of the company; and as per our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx.** According to the information and explanations given by the management and records examined by us, the Company is not required to spend amount under CSR Scheme under section 135 of the Companies Act. Hence sub-clause (a) and (b) is not applicable.
- xxi.** As the company is not required to consolidate the accounts of any other company. This clause is not applicable.

For Bathiya & Associates LLP

Chartered Accountants

FRN: 101046W / W100063

Vinod K. Shah

Partner

Membership Number: 032348

Place: Mumbai



Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended March 31, 2022)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of LIC Pension Fund Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors' 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration No. 101046W / W100063

Vinod Shah

Partner

Membership No.: 032348

Place : Mumbai



LIC Pension Fund Limited
CIN-U66020MH2007PLC176066

STATEMENT OF BALANCE SHEET AS AT MARCH 31,

		2022	2021
		Amount in ₹ (000)	Amount in ₹ (000)
Equity and Liabilities			
Shareholders Funds			
Share Capital	2	500,000	300,000
Reserves and Surplus	3	569,526	106,337
		1,069,526	406,337
Current liabilities			
(a) Other current liabilities	4	63,206	164,789
(b) Short-term provisions	5	1,092	749
		64,298	165,538
Total		1,133,824	571,875
Assets			
Non-current Assets			
Property, Plant and Equipments & Intangible Assets			
Property, Plant and Equipments	6A	870	1,173
Intangible Assets	6B	-	-
Deferred Tax Asset	7	536	484
Long Term Loans & Advances	8	12,469	14,002
Other Non-current Assets	9	270,819	46,231
		284,694	61,890
Current Assets			
Trade Receivables	10	91,261	44,019
Cash and Cash Equivalents	11	715,346	416,178
Other Current Assets	12	42,523	49,788
		849,130	509,985
Total		1,133,824	571,875
Summary of Significant Accounting Policies and Corporate Information	1		
The accompanying notes 2 to 19 form an integral part of the Financial Statements In terms of our report attached.			

Bathiya & Associates LLP
Chartered Accountants

DIRECTOR
Smt. Sashikala Muralidharan
DIN:08036523

MANAGING DIRECTOR & CEO
Ms. Priti Panwar
DIN: 08072073

Shri. Vinod Shah
Partner
Membership No. : 032348
Firm Reg. No. : 101046W/ W100063

COMPANY SECRETARY
Shri. Avinash Abhyankar
Membership No :A19923

Chief Financial Officer
Shri. Kanhaya Lal Gupta
PAN :AFCPG3760L

PLACE : Mumbai
DATE : 28th April 2022

LIC Pension Fund Limited
CIN-U66020MH2007PLC176066

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31

		2022 Amount in ₹ (000)	2021 Amount in ₹ (000)
Revenue from Operations	13	938,971	146,863
Other Income	14	42,283	37,901
Total Income (I+ II)		981,254	184,764
Expenses			
Employee benefit expense	15	73,211	52,340
Depreciation and amortization expense	6	393	390
Annual Fees to PFRDA	16	271,678	60,514
Other expenses	17	19,759	36,205
Total		365,041	149,449
Profit before prior period and extraordinary items and tax		616,213	35,315
Prior Period adjustments		-	-
Profit before extraordinary items and tax		616,213	35,315
Extraordinary Items		-	-
Profit before tax		616,213	35,315
Tax expense:			
Current tax		154,588	9,000
Deferred tax		(52)	1,398
(Excess) /Short Provision for taxation/ others		(1,512)	(129)
Total		153,024	10,268
Profit/(Loss) After Tax		463,189	25,047
Earning per equity share:			
Basic & Diluted - Rupees		12.90	0.83
Face Value per Ordinary Shares - Rupees		10	10
Summary of Significant Accounting Policies and Corporate Information	1		

The accompanying notes 2 to 19 form an integral part of the Financial Statements In terms of our report attached.

Bathiya & Associates LLP
Chartered Accountants

DIRECTOR
Smt. Sashikala Muralidharan
DIN : 08036523

MANAGING DIRECTOR & CEO
Ms. Priti Panwar
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PAN : AFCPG3760L

PLACE : Mumbai
DATE : 28th April 2022



LIC Pension Fund Limited
CIN-U66020MH2007PLC176066

CASH FLOW STATEMENT AS ON 31ST MARCH

S.N.	PARTICULARS	2022 Amount in ₹ (000)	2021 Amount in ₹ (000)
A	Cash Flow from Operating activities		
	Profit/(Loss) before extraordinary items and tax	616,213	35,315
	Adjustments:		
	Add: Depreciation and amortization	393	390
	Less: Income from Interest	(41,503)	(37,487)
	Less: Interest on IT Refund	(759)	(414)
		574,343	(2,196)
	Working capital changes:		
	(Increase) /Decrease in Long Term Loans and Advances	1,533	(209)
	(Increase) /Decrease in other non-current assets	(224,589)	93,400
	(Increase) /Decrease in other current assets	7,265	(6,170)
	(Increase) /Decrease in other Bank Balance	(151,800)	(80,700)
	(Increase) /Decrease in Trade receivables	(47,242)	(11,164)
	Increase/(Decrease) in other current liabilities	(101,583)	12,730
	Increase/(Decrease) in provisions	343	16,395
		(516,073)	24,282
	Direct Tax Paid	152,317	8,456
	Net Cash Flow from Operating Activities : Total of (A)	(94,047)	13,630
B	Cash Flow from Investing Activities		
	Capital expenditure on fixed assets	(89)	(1,080)
	Income from Interest	41,503	37,487
	Net cash from Investing Activities : Total of (B)	41,415	36,407
C	Cash Flow from Financing activities		
	Issue of Fresh Equity Shares	200,000	0
	Net cash from Financing Activities : Total of (C)	200,000	0
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)	147,367	50,036
	Add : Cash and cash equivalents as at 01.04.2021	58,877	8,841
	Cash and cash equivalents as at 31.03.2022	206,245	58,877
	Reconciliation of Cash Flow		
	Cash and cash equivalents as per cash flow statement	206,245	58,877
	Add : Other Bank Balance	509,101	357,301
	Cash and cash equivalents as per Note 11	715,346	416,178

Notes are integral part of Financial Statements

Cash Flow is prepared under Indirect Method as specified under AS - 3 Statement of cash Flow

Bathiya & Associates LLP
Chartered Accountants

DIRECTOR
Smt. Sashikala Muralidharan
DIN:08036523

MANAGING DIRECTOR & CEO
Ms. Priti Panwar
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Shri. Vinod Shah
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Membership No. : 032348
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COMPANY SECRETARY
Shri. Avinash Abhyankar
Membership No :A19923

Chief Financial Officer
Shri. Kanhaya Lal Gupta
PAN :AFCPG3760L

PLACE : Mumbai

DATE : 28th April 2022

NOTE 1 : Significant Accounting Policies and Corporate Information**Corporate Information**

LIC Pension Fund Limited (CIN U66020MH2007PLC176066) is the first Pension Fund Company under NPS which was incorporated on 21.11.2007. The Main object of the Company is to carry on the business of Pension Fund management for pension fund schemes as regulated by the Pension Fund Regulatory and Development Authority (PFRDA).

Significant Accounting Policies**A) Basis of Accounting**

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, Accounting Standards notified under Section 2(2) of the Companies Act, 2013, and the relevant provisions of the Companies Act 2013.

B) Revenue Recognition

- Revenue is recognized as and when there is reasonable certainty of realization.
- Income on investments is accounted for on accrual basis.
- Interest income is recognized on accrual basis

C) Fixed Assets & Depreciation

- Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is provided on the straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.
- Intangible assets are amortized over a period of three years, on the SLM basis.

D) Investments

- Long Term investments are considered as held till maturity and are valued at cost. Provision is made for diminution in the value of investments, if any, other than temporary in nature.
- Short Term investments are valued at cost or fair value whichever is lower.
- The cost of investments includes acquisition charges such as brokerage, etc. Front-end discount / incentive earned in respect of direct subscription are adjusted towards the cost of investments.

E) Income Tax

- Income Tax expense for the period, comprising of current tax and deferred tax is included in determining the net profit for the period.
- A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting incomes at tax rates enacted / substantively enacted by the Balance Sheet date.
- Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

F) Employee Benefits

The employees benefits expected to be paid in exchange for the services rendered by employees is recognized in the period in which the employee rendered the service. This benefit includes salary, perquisites etc.

Provident Fund and allied terminal benefits are charged to the Statement of Profit and Loss.

G) Cash & Cash Equivalent

It is followed as per GAAP and guidance note issued by ICAI whereby all Bank FD including having a maturity of more than twelve month are classified under cash and cash equivalent.

**Notes forming part of the Balance Sheet as at 31st March****NOTE 2 : SHARE CAPITAL**

	2022		2021	
	Number of shares	Amount in ₹ (000)	Number of shares	Amount in ₹ (000)
Authorised Share Capital				
Equity shares of ₹ 10 each with voting rights	50,000,000	500,000	40,000,000	400,000
Issued Share Capital				
Equity shares of ₹ 10 each with voting rights	50,000,000	500,000	30,000,000	300,000
		500,000		300,000
Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	50,000,000	500,000	30,000,000	300,000
Total		500,000		300,000

(i) Rights of Equity Shareholders

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

	Opening Balance	Fresh issue	Bonus/Buy Back	Closing Balance
Equity Shares with Voting Rights:				
For the year ended March 31, 2022				
Number of shares	30,000,000	20,000,000		50,000,000
Amount in ₹ (000)	300,000	200,000		500,000
For the year ended March 31, 2021				
Number of shares	30,000,000	0	-	30,000,000
Amount in ₹ (000)	300,000	0	-	300,000

- (iii) **Disclosure for the aggregate number allotted as fully paid up without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:**

Equity Shares:	2021	2020	2019	2018	2017
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

- (iv) **Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As At March 31,2022		As At March 31,2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with Voting Rights:				
Life Insurance Corporation of India	50,000,000	100	30,000,000	100

- (v) **The Company is 100% subsidiary company of Life Insurance Corporation of India**

- (vi) **Details of shares held by the Holding Company**

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of shares held	Number of shares held
Equity Shares with Voting Rights :		
Life Insurance Corporation of India	50,000,000	30,000,000

- (vii) **Shares held by promoters at the end of the year as at 31.03.2022**

Promoter Name	No. of Shares	% of Total Shares	% Change during the year
Life Insurance Corporation of India	50,000,000	100	NIL
Class of Shares	Equity		
Total	50,000,000	100	

**(viii) Shares held by promoters at the end of the year as at 31.03.2021**

Promoter Name	No. of Shares	% of Total Shares	% Change during the year
Life Insurance Corporation of India	30,000,000	100	NIL
Class of Shares	Equity		
Total	30,000,000	100	

NOTE 3 : RESERVE & SURPLUS

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Opening Balance	106,337	81,290
(+) Additions: Profit for the year	463,189	25,047
Total	569,526	106,337

NOTE 4 : OTHER CURRENT LIABILITIES

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Deposit from vendor	31	-
LIC of India (Reimbursement of Expenses)	24,766	134,584
Statutory Liabilities (Contributions to PF , GST and Taxes etc.)	15,644	2,756
Creditors for Expenses	-	36
Outstanding Expenses	22,764	27,413
Total	63,205	164,789

NOTE 5 : SHORT-TERM PROVISIONS

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Provision for gratuity	1,092	749
Total	1,092	749

Note 6 : PROPERTY, PLANT & EQUIPMENT**A. Property, Plant & Equipment**

Amount in ₹ (000)

Sr. No	Particulars	Useful life in years	Gross Block			Accumulated Depreciation			Net Block	
			Balance as at 1st April, 2021	Addition during the year	Deduction during the year	Balance as at 31st March, 2022	Balance as at 1 st April, 2021	Addition during the year	Deduction during the year	Balance as at 31st March, 2022
1	Furnitures & Fixtures	10	598	-	-	598	552	8	-	560
2	Office Equipment	5	1,051	-	-	1,051	540	129	-	669
3	Computer	-	-	-	-	-	-	-	-	-
a.	Servers	6	644	-	-	644	537	22	-	559
b.	End Users	3	1,787	89	-	1,876	1,279	233	-	1,512
	Total		4,080	89	-	4,169	2,908	392	-	3,300
	Previous Year		3,000	1,080	-	4,081	2,634	273	-	1,173

B. Intangible Assets

Amount in ₹ (000)

Sr. No	Particulars	Useful life in years	Gross Block			Accumulated Amortisation			Net Block	
			Balance as at 1st April, 2021	Addition during the year	Deduction during the year	Balance as at 31st March, 2022	Balance as at 1 st April, 2021	Addition during the year	Deduction during the year	Balance as at 31st March, 2022
1	Computer Software	3	2,158	-	-	2,158	2,158	-	-	2,158
	Total		2,158	-	-	2,158	2,158	-	-	2,158
	Previous Year		2,158	-	-	2,158	2,041	117	-	2,158

**NOTE 7 : DEFERRED TAX ASSET**

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Deferred Tax Asset	536	484
due to difference between		
(i) depreciation as per Companies Act and depreciation as per Income Tax Act	484	1,881
(ii) Provision for expenses	52	(1,398)
Total	536	484

NOTE 8 : LONG TERM LOANS & ADVANCES

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Advance tax / TDS (Net of Provision for Tax)	12,469	14,002
Total	12,469	14,002

NOTE 9 : OTHER NON CURRENT ASSETS

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Security Deposits		
SECURITY DEPOSIT FOR PREMISES	18	18
SECURITY DEPOSIT FOR ELECTRICITY	63	63
SECURITY DEPOSIT FOR DEMAT OF SHARES	150	150
SECURITY DEPOSIT FOR LEASED ACCOMODATION	88	-
Fixed Deposit with NBFC	270,500	46,000
Total	270,819	46,231

NOTE 10 : TRADE RECEIVABLES

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Less than six months		
Unsecured, considered good		
NPS Trustees A/c	91,261	44,019
Total	91,261	44,019

Trade Receivable Ageing Schedule (as at 31.03.2022)**Amount in ₹ (000)**

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	91,261	Nil	Nil	Nil	Nil	Nil
(ii) Undisputed Trade Receivables – considered doubtful	Nil	Nil	Nil	Nil	Nil	Nil
(iii) Disputed Trade Receivables considered good	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Disputed Trade Receivables considered doubtful	Nil	Nil	Nil	Nil	Nil	Nil

Trade Receivable Ageing Schedule (as at 31.03.2021)**Amount in ₹ (000)**

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	44,019	Nil	Nil	Nil	Nil	Nil
(ii) Undisputed Trade Receivables – considered doubtful	Nil	Nil	Nil	Nil	Nil	Nil
(iii) Disputed Trade Receivables considered good	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Disputed Trade Receivables considered doubtful	Nil	Nil	Nil	Nil	Nil	Nil

NOTE 11 : CASH AND CASH EQUIVALENTS

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Balance with banks	163,445	977
Fixed Deposits with Scheduled banks with maturity less than 3 months	42,800	57,900
Sub Total	206,245	58,877
Fixed Deposits with Scheduled banks with Maturity more than 3 months and less than 12 months	79,000	232,900
Fixed Deposits with Scheduled banks with Maturity more than 12 months	430,101	124,401
Sub Total	509,101	357,301
Total	715,346	416,178

**NOTE 12 : OTHER CURRENT ASSETS**

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
<u>Accruals</u>		
Interest accrued on deposits	39,451	47,846
Interest accrued on Saving Bank A/C	649	-
<u>Others</u>		
Amt recoverable from vendor	5	-
GST ITC Credit	418	438
Fees Receivable from NPS Trust	399	399
Prepaid Expenditure	1,601	1,105
Total	42,523	49,788

NOTE 13 : REVENUE FROM OPERATIONS

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Management Fees	938,971	146,863
Total	938,971	146,863

NOTE 14 : OTHER INCOME

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
<u>Interest</u>		
on Fixed deposits	38,420	37,412
on SB a/c	3,084	75
Interest on income tax refund	759	414
Misc. Income	20	-
Total	42,283	37,901

NOTE 15 : EMPLOYEE BENEFIT EXPENSE

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Salaries and Wages	65,395	46,612
Contribution to Provident Fund and Other Funds	4,650	2,888
Rent for Staff	206	-
Staff Welfare Expense	2,960	2,840
Total	73,211	52,340

NOTE 16 : ANNUAL FEES TO PFRDA

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Annual Fees to PFRDA	271678	60,514
Total	271,678	60,514

Notes forming a part of the Profit and loss Account for the year ended 31st March

NOTE 17 : OTHER EXPENSES

Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Brokerage charges- Govt Sector	-	13,025
Brokerage charges- Pvt Sector	-	1,821
Disaster Recovery Management expenses	1,333	1,818
Electricity expenses	454	356
Gifts and mementos	2,046	861
Market Analysis Software	6,226	7,162
Mfund AMC	1,247	991
Miscellaneous expenses	1,098	815



Particulars	2022	2021
	Amount in ₹ (000)	Amount in ₹ (000)
Office Up keep	134	155
Payment to auditor (Refer Note Below)	1,366	1,266
Printing & Stationary	183	212
Professional Services	339	425
Recruitment /Supply Agency Servcie	688	630
Registration Charges - PFRDA	-	2,500
Reimbursement of IT Audit	-	138
Rent for Company car	1,311	1,848
Rent for office	741	741
ROC & Stamp Duty Exp.	953	-
Sanitization Expenses	122	167
Sect. Consultancy & Sect. expenses	217	200
Sitting fees	420	395
Telephone , Mobile and Internet charges	218	239
Training Exp.	203	-
Valuation Services	460	440
Total	19759	36205
Note :		
Payment to auditor comprises of:		
NPS Audit Scheme Fees	1,020	1,020
Statutory Audit Fees	56	56
Fees for certifying Accounts in IRDA Formats	150	-
Certificate Fee	20	5
Tax Audit Fees	120	120
GST Auditor Fee	-	65
Total	1,366	1,266

NOTE 18 : RATIO ANALYSIS**Amount in ₹ (000)**

Sr. No.	Particulars	Current Year		Previous year		As on March, 2022	As on March, 2021	Reason for change if more than 25%
		Numerator	Denominator	Numerator	Denominator			
1	Current Ratio	8,49,130	64,298	5,09,985	1,65,538	13.21	3.08	Due to increase in Fixed Deposit with banks
2	Debt-Equity Ratio	-	-	-	-	NA	NA	NA since no debt exists
3	Debt-Service Coverage Ratio	-	-	-	-	NA	NA	NA since no debt exists
4	Return on Equity	4,63,189	7,37,932	25,047	3,93,814	62.77%	6.36%	Due to increase in income from Management Fees
5	Inventory Turnover Ratio	-	-	-	-	NA	NA	NA since no inventory exists
6	Trade Receivable Turnover Ratio	9,38,971	67,640	1,46,863	38,437	13.88	3.82	Due to increase in income from Management Fees
7	Trade Payable Turnover Ratio	-	-	-	-	NA	NA	NA since no outstanding Trade payable
8	Net Capital Turnover Ratio	9,38,971	5,64,640	1,46,863	2,91,872	1.66	0.50	Due to increase in Fixed Deposit with banks
9	Net Profit Ratio	4,63,189	9,38,971	25,047	1,46,863	0.49	0.17	Due to increase in income from Management Fees
10	Return on Capital employed	6,16,213	10,68,990	35,315	4,05,854	57.64%	8.70%	Due to increase in income from Management Fees
11	Return on Investment	-	-	-	-	NA	NA	NA since no investments made

**NOTE 19 : OTHER NOTES TO FINANCIAL STATEMENTS**

- 1) Employee cost represents the amount to be reimbursed by the Company to Life Insurance Corporation of India in respect of employees posted to the Company.
- 2) Interest accrued on cumulative Fixed Deposit with Bank is disclosed under the head Other Current Assets.
- 3) The company is following Accounting Standard-3 for Cash & Cash Equivalent and reporting is made as required by Accounting Standard -3 as specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- 4) The Company is reimbursing the retirement benefit to Life Insurance Corporation of India as per calculation provided by Life Insurance Corporation of India, no report under AS15 is obtained hence no disclosure as required under AS 15 is made.
- 5) In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- 6) The segment reporting disclosure as required by Accounting Standard-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable, since the company has a single reportable business segment of providing asset management services as per the Pension Fund Regulatory and Development Authority Regulations.
- 7) **Related Party Disclosure**

Related Party disclosures as required by AS – 18 "Related Party Disclosures" are given below:

(a) Name of Related Parties and Nature of Relationship where control exist:

Sr. No.	Related Party	Nature of Relationship
1	Life Insurance Corporation of India	Promoter / Sponsor of the entity
2	Ms. Priti Panwar	Key Management Personnel
3	Mr. Kanhaya Lal Gupta	Key Management Personnel (joined on 23.07.2021)
4	Mr. Avinash Abhyankar	Key Management Personnel

(b) Details of Transactions with related parties

(Amount in ₹ 000)

Transaction Details	Nature of Relationship	2021-22	2020-21
Reimbursement towards expenses and fixed assets	Holding Company	72,957	53,411
Payment made towards reimbursement of expenses and fixed assets		1,48,402	81,172
Reumeration			
- Ms. Priti Panwar (Inclg. Perquisites & Salary Arrears)	Key Managerial Personnel	8,234	3,421
- Mr. Kanhaya Lal Gupta		1,821	-
- Mr. Avinash Abhyankar		3,454	1,945
Gifts and Mementos			
- Ms. Priti Panwar		85	43
- Mr. Kanhaya Lal Gupta		50	-
- Mr. Avinash Abhyankar		85	35

(c) Details of Balances as on year end

Particulars	Nature of Relationship	2021-22	2020-21
Other Current Liabilities	Holding Company	24,766	1,34,584

Above mentioned related parties are identified by the management as per Accounting Standard (AS – 18) “Related Party Disclosures” as specified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Account) Rules 2014 and the relevant provisions of the Companies Act, 2013 and relied upon by the auditors.

- 8) In accordance with Accounting Standard 20 “Earnings per Share” as specified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Account) Rules 2014 and the relevant provisions of the Companies Act, 2013, the required disclosure is given below.

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net profit attributable to shareholder (Amount in ₹ 000)	4,63,189	25,047
Number of equity shares (Weighted Average)	3,59,17,808	3,00,00,000
Basic and Diluted earnings per share (in ₹)	12.90	0.83
Face Value (in ₹)	10	10



9) Auditors' Remuneration

(Amount in ₹ 000)

Particulars	Year ended 31.03.2022 *	Year ended 31.03.2021 *
Statutory Audit Fees	56	56
Other matters	170	5
Total	226	61

* Exclusive of GST

- 10) In the opinion of the management, there will be no effect of COVID -19 on the operations of the Company.
- 11) Provision of CSR is not applicable to the Company for the F.Y. 2021-22.
- 12) From the financial year 2021-22, Management fee has been increased to @ 0.05% on funds managed for all schemes on slab rates. Upto Financial Year 2021 it was @ 0.0102% on funds managed for Government Sector including Atal Pension Yojna and excluding Corporate CG Scheme. Management Fees for Private Sector Scheme and Corporate CG Scheme is 0.01%.
- 13) Earning in foreign Currency: NIL
- 14) Expenses incurred in Foreign Currency on account of Travelling: NIL
- 15) Value of Imports of CIF Basis : NIL
- 16) Figures of the previous period have been re-grouped, re-arranged wherever necessary

As per our report of even date attached**Bathiya & Associates LLP**

Chartered Accountants

DIRECTOR**Smt Sashikala Muralidharan**

DIN:08036523

MANAGING DIRECTOR & CEO**Ms. Priti Panwar**

DIN:08072073

Shri Vinod Shah*Partner*

Membership No: 032348

Firm Reg. No: 101046W / W100063

COMPANY SECRETARY**Shri Avinash Abhyankar**

Membership no : A19923

Chief Financial Officer**Shri Kanhaya Lal Gupta**

PAN : AFCPG3760L

PLACE : Mumbai**DATE :** 28th April 2022



Induction of Shri Raghupal Singh as MD & CEO of LICPFL w.e.f. 01.05.2022



Board Meeting in Progress



LIC Pension Fund Ltd.
