



LIC Pension Fund Ltd.



Providing Post-Retirement Income Security to India

**16TH Annual Report
2022-2023**

BOARD OF DIRECTORS



Shri S. Mohanty
Chairman



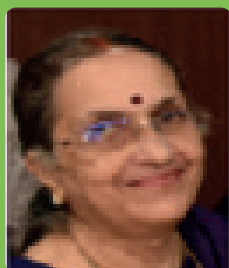
Shri M.R. Kumar
Chairman
(upto 13.03.2023)



Shri Gopal Singh Gusain
Independent Director



Shri Debasish Mohanty
Independent Director



Smt. Sashikala Murlidharan
Independent Director



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
(Resigned on 17.06.2022)



Smt. Priti Panwar
MD & CEO
(Upto 29.04.2022)

SIXTEENTH ANNUAL REPORT

2022 - 2023



LIC Pension Fund Ltd.

Bankers to the Company

**KOTAK MAHINDRA BANK
UNION BANK OF INDIA**

Statutory Auditors

M/S. ARUN M. AGARWAL & ASSOCIATES, CHARTERED ACCOUNTANTS

Internal Auditors

M/S. KOCHAR & ASSOCIATES, CHARTERED ACCOUNTANTS

Company Secretary

SHRI AVINASH C. ABHYANKAR

Registered Office

LIC Pension Fund Limited
CIN-U66020MH2007PLC176066
1st Floor, East Wing,
Industrial Assurance Building,
Veer Nariman Road,
Churchgate,
Mumbai-400 020.
Tel:022 61414502 .
E-Mail : licpensionfund@licindia.com
Website : www.licpensionfund.in

Contents

	Page No.
Directors' Report	01
Comments of the Comptroller and Auditor General of India	23
Auditor's Report	24
Balance Sheet	35
Profit and Loss Account	36
Cash Flow Statement	37
Notes Forming Part of Financial Statements	40

SIXTEENTH ANNUAL REPORT

2022 - 2023

DIRECTORS' REPORT

To,

The Members,

LIC Pension Fund Limited

Your Directors have pleasure in presenting their Sixteenth Report together with the audited Financial Statements for the year ended 31st March, 2023.

Financial Results

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

(Amt. in ₹Crore)

Sr. No.	Particulars	Year ended 31 st March	
		2023	2022
1.	Income from Operations	106.36	93.90
2.	Other Income	6.66	4.23
3.	Total (1+2)	113.02	98.13
4.	Management expenses	43.80	36.51
5.	Profit before Tax (3-4)	69.22	61.62
6.	Tax Expenses	17.39	15.30
7.	Profit after Tax (5-6)	51.82	46.32
8.	Paid up Capital	50.00	50.00
9.	Net Worth	153.78	106.95

Dividend

Considering the overall performance for the year 2022-23, your Directors have recommended dividend of Rs.2/- per equity share (20%) for the year ended 31st March, 2023. The total dividend outgo will amount to Rs. 10 Crore and will be subject to deduction of tax.

State of Company's Affairs / Performance

The Company earned a total income of Rs. 1,13.02 Crore for the year under review as against Rs. 98.13 Crore for the previous year, an increase of about 15%. The management fee has gone up due to increase in Assets Under Management (AUM). Profit before tax and after tax stood at Rs.69.21 Crore and Rs.51.82 Crore respectively for year under report as against Rs. 61.62 Crore and Rs.46.31 Crore respectively for the previous year.

The net worth of the Company as at the close of the financial year was Rs. 1,53.78 Crore as against Rs. 1,06.95 Crore of the previous year. The variation in the net worth is Rs. 46.83 Crore after considering the amount of dividend paid during the year.

For the financial year 2022-23, Management Fee was charged as per the following slab structure of Asset under Management on funds managed by LICPFL.

Slabs of AUM (Rs.)	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 Authorised Share Capital and Paid Up Share Capital both stood at Rs.50,00,00,000/-.

Amounts Transferred to Reserves

The Company has transferred Rs. 51.82 Crore to Reserves.

Financial Highlights

In the Financial year 2022-23, LIC Pension Fund Limited has received an amount of Rs.33,777.78 Crore as fresh inflow in respect of the following schemes:

Scheme	Amount in ₹ Crore
Central Govt. Scheme	8,573.56
State Govt. Scheme	21,022.89
NPS Lite Scheme	10.22
Corporate-CG Scheme	464.31
Atal Pension Yojana (APY)	1,644.06
E Tier I	681.25
C Tier I	418.82
G Tier I	751.39
E Tier II	13.38
C Tier II	4.03
G Tier II	5.90
A Tier I	4.68
Tax Saver Tier II	0.59
APY FUND	182.70
Total	33,777.78

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

Particulars	Amount in ₹ Crore
31-Mar-21	163,389.50
31-Mar-22	209,386.28
31-Mar-23	253,248.85

The Company is managing the AUM of Rs. 2,53,248.85 Crore as at 31.03.2023 under the following NPS schemes:

Name of the Scheme	AUM as on 31.03.2023 (Rs. In Cr.)
Central Govt. Scheme	81,514.17
State Govt. Scheme	1,48,680.29
NPS Lite Scheme	1,439.19
Corporate-CG-Scheme	2,936.13
E Tier I	3,297.20
C Tier I	2,103.46
G Tier I	3,835.15
E Tier II	109.98
C Tier II	66.34
G Tier II	152.81
Atal Pension Yojana	8,917.03
A Tier I	12.70
Tax Saver Tier II	1.43
APY Fund	182.97
Total	2,53,248.85

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 2022-23 is detailed below:-

Sr. No.	Instruments	Prescribed limit
1	Government Securities, Govt. Securities (Central Govt.) & State Government	Upto 65%
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 (InvITs), and securitized papers.

NAV for Government Sector NPS:

Scheme	31.03.2023	31.03.2022	Growth
	(in Rs.)	(in Rs.)	(%)
Central Government	37.9393	36.3989	4.23%
State Government	33.7779	32.3897	4.29%
NPS Lite Scheme -Govt. Pattern	31.5760	30.2792	4.28%
Corporate CG	25.0672	23.9937	4.47%
Atal Pension Yojana (APY) Scheme	19.3640	18.557	4.35%

NAV for Private Sector NPS:

Scheme	31.03.2023	31.03.2022	Growth
	(in Rs.)	(in Rs.)	(%)
E Tier -I	29.7955	28.978	2.82%
C Tier –I	23.3107	22.5008	3.60%
G Tier –I	24.8903	23.6743	5.14%
E Tier – II	24.9852	24.227	3.13%
C Tier- II	22.1322	21.398	3.43%
G Tier- II	25.2830	24.0289	5.22%
A Tier – I	15.9354	15.0663	5.77%
Tax Saver Scheme	11.6388	10.9396	6.39%
APY FUND	10.0146	-	-

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 pursuant to Section 73 of the Companies Act, 2013.

Auditors

The Auditors of your Company are appointed by the Comptroller and Auditor General of India (CAG). Arun M Agarwal and Associates, Firm Registration No. 128207W, Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company by the CAG for the financial year 2022-23.

Auditors' Report

The Auditors' report does not contain any qualifications, reservations, adverse remarks or disclaimer. There were no frauds reported by the Auditors under sub-section (12) of Section 143 as also which are reportable to the Central Government.

Audit Committee

As on 31st March, 2023, the Audit Committee of the Company comprised of three Directors viz.:

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

*w.e.f. 1st April, 2022

#Shri. Siddhartha Mohanty retired as member w.e.f. 1st August, 2022

4 (Four) Audit Committee meetings were held during the year on 28.04.2022, 28.07.2022, 13.10.2022 & 20.01.2023.

Secretarial Auditor

The Board of Directors has appointed Shri. P S Gupchup, Practicing Company Secretary (C.O.P. No. 9900) for conducting secretarial audit for the year ended 31st March, 2023.

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

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.

Shri. Raghupal Singh was appointed as Managing Director w.e.f. 1st May, 2022 to 31st August, 2024 i.e. till the date of his superannuation or till such time as may be decided by LIC of India.

Shri. R Subramaniakumar resigned w.e.f. 17th June, 2022. The Board places on record its appreciation of the valuable services rendered by Shri. R Subramania kumar during his tenure.

Shri. Kishor Kharat was appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. 1st August, 2022.

There was change in designation of Shri. Debasish Mohanty, Shri Gopal Singh Gusain and Smt. Sashikala Muralidharan from Additional Directors to Independent Directors, duly approved by the members at the last Annual General Meeting (AGM) held on 23rd September 2022. They were appointed for a period of 3 years commencing from 1st April, 2022 to 31st March, 2025.

There was change in designation of Shri Kishor Kharat from Additional Director to Independent

Director, duly approved by the members at the last AGM held on 23rd September, 2022. He was appointed for a period of 3 years commencing from 1st August, 2022 to 31st July, 2025.

Shri. Raghupal Singh retires by rotation at the ensuing AGM and is eligible for reappointment.

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 4 (Four) meetings during the financial year, the dates of which were 28.04.2022, 28.07.2022, 14.10.2022, 23.01.2023.

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 2022-23 comprises of three Directors viz.:

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

*w.e.f. 1st April, 2022

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, and 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, 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 Rs.5.31/- Lakh as against Rs. 4.54/- Lakh 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 may be 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. **Annexure 3** containing nil particulars is annexed to this report.

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 31.03.2023 shall be placed on the website of the Company-www.licpensionfund.in.

Corporate Social Responsibility

The CSR committee was constituted on April 1, 2022. As on year end the CSR Committee comprises of the following members:-

Shri. Gopal Singh Gusain*	Chairman/ Independent Director
Shri. Raghupal Singh**	Managing Director and CEO
Shri. Kishor Kharat**	Independent Director

*w.e.f. 1st April, 2022

**Re-constituted w.e.f. 1st August, 2022

Shri. R Subramania kumar 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.

The Annual Report on CSR activities is enclosed as per prescribed format as **Annexure 4** and forms part of this report.

Directors' Responsibility Statement

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and
- 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.
- 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 particulars of employee(s) drawing remuneration exceeding Rs. 8.50 lakh per month or Rs.102 lakh per year, for the year under report pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure 5** to this report.

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, Deutsche Bank AG - Custodian, Arun M Agarwal & Associates, Chartered Accountants - Statutory Auditors of the Company Accounts, Kochar and Associates, Chartered Accountants - Internal Auditors, ASA & Associates LLP, Chartered Accountants, Statutory Auditors of the Scheme Accounts managed by the Company, Shri Prasanna Gupchup - Practicing Company Secretary and Auditor, 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, 2023

CHAIRMAN

ANNEXURE – 1

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial 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 covering the financial year ended on 31st March, 2023 (“the audit period”), 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 examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, 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 and Sweat Equity) Regulations, 2021 - **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, 2021; - **Not Applicable during the audit period**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **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**

v. Other Applicable Acts:

- a) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952
- b) The Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 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 of Authority (Redressal of Subscriber Grievance) Regulations, 2015
- g) The Maharashtra Shops Establishments Act, 2017
- h) The Maternity Benefit Act, 1961
- i) Indian Stamp Act, 1899
- j) Prevention of Money Laundering Act, 2002
- k) Information and Technology Act, 2000

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:

With effect from 1st April, 2022 three new Independent Directors were appointed on retirement of three Independent Directors on 31st March, 2022. Further, Shri. Raghupal Singh was appointed as Managing Director & CEO with effect from 1st May, 2022.

Place: Mumbai

Date: 24th July, 2023

P.S. Gupchup

Practicing Company Secretary

M. No. A4631; C.P No: 9900;

Peer Review No.: 3814/2023

UDIN: A004631E000670637

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. Wherever 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: 24th July, 2023

P.S. Gupchup
Practicing Company Secretary
M. No. A4631; C.P No: 9900;
Peer Review No.: 3814/2023
UDIN: A004631E000670637

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)	Payment towards Rent to Holding Company	On going	Rent paid amounting to Rs 30. 82 Lakh.	N.A.	NIL

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai

Date: 28th July, 2023

CHAIRMAN

ANNEXURE 3**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 2022 - 23: NIL

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, 2023

CHAIRMAN

ANNEXURE 4**Annual Report on the CSR activities pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014.****1. Brief outline on CSR Policy of the Company:**

To actively contribute towards social and economic development of the poor irrespective of caste, creed and religion in areas around which the Company operates. In doing so, it aims to bring a dignified and meaningful life to the poor and sense of gratification to us stakeholders by making a difference in their lives.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri. Gopal Singh Gusain*	Chairman / Independent Director	1	1
2.	Shri. Raghupal Singh**	Member / Managing Director	1	1
3.	Shri. Kishor Kharat**	Member/ Independent Director	1	1

*w.e.f. 1st April, 2022

**Re-constituted w.e.f. 1st August, 2022

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	The composition of CSR committee, CSR policy and CSR project have been uploaded on the website of the Company under the web-link: http://licpensionfund.in
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Not applicable

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
	TOTAL		
6.	Average net profit of the company as per section 135(5)	Rs.22,45,05,108/-	
	(a) Two percent of average net profit of the company as per section 135(5)	Rs. 44,90,102/-	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil	
	(c) Amount required to be set off for the financial year, if any	Nil	
	(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs. 44,90,102/-	

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 45,00,000/-	Not applicable, since there is no unspent amount.				

(b) Details of CSR amount spent against ongoing projects for the financial year: Not applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State.	District.						Name	CSR Registration number
1												
2												
3												
	TOTAL											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation – Direct (Yes / No)	Mode of implementation – Through implementing agency.	
				State.	District.			Name	CSR registration number
1.	Tata Memorial Centre (TMC)	Promoting health care including preventive health care	Yes	Maharashtra	Mumbai	Rs.20,00,000	Yes	N.A.	N.A.
2.	Clean Ganga Fund	Environment sustainability, ecological balance, conservation of natural resources and maintaining quality of water	No	NA	NA	Rs.25,00,000	Yes	N.A.	N.A.
TOTAL						Rs.45,00,000			
(d) Amount spent in Administrative Overheads						Nil			
(e) Amount spent on Impact Assessment, if applicable						Nil			
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)						Rs. 45,00,000/-			

g) Excess amount for set off, if any :

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 44,90,102/-
(ii)	Total amount spent for the Financial Year	Rs.45,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs.9,898/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs.9,898/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.							
2.							
3.							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed/ Ongoing.
1.								
2.								
3.								
	TOTAL							

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).	Not Applicable
a.	Date of creation or acquisition of the capital asset(s).	
b.	Amount of CSR spent for creation or acquisition of capital asset.	
c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai

Date: 28th July, 2023

CHAIRMAN

Annexure – 5

**STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Name of the Employee	Designation of the Employee	Remuneration Received	Nature of Employment whether contractual or otherwise	Qualification and Experience of the Employee	Date of Commencement of Employment	Age	Last Employment	% of Equity Shares Held
Ms. Priti Panwar	MD & CEO	Rs. 12.53 Lakh	Contractual	B.Sc. MA 38 years	10/03/2018	60	Life Insurance Corporation of India (Later deputed to LIC Pension Fund Limited)	-

Notes:

1. Designation denotes the nature of duties.
2. She is not relative of any Director or manager of the Company
3. She does not hold any equity shares in the Company.

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai

Date: 28th July, 2023

CHAIRMAN

Financial Statements for the year 2022 - 2023

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 2023.

The preparation of financial statements of LIC Pension Fund Limited for the year ended 31 March 2023 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 26 April 2023.

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 decided not to conduct the supplementary audit of the financial statements of LIC Pension Fund Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act.

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

Sd/-

(Guljari Lal)
Director General of Audit (Shipping), Mumbai

Place: Mumbai

Date: 31.07.2023

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 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 standalone 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 audit opinion on the standalone financial statements.

Management's Responsibility for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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 standalone financial statement that give a true and fair view and are free from material

misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 Regulation Requirements

1. The Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit of the aforesaid standalone financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone 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 relevant books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March 2023, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations which would impact its financial

position.

- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
- 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Dividend declared or paid by the Company during the year are in compliance with Section 123 of the Act.
 - vi. Report as per the Directions of C & AG under section 143(5) of the Company Act, 2013 is attached herewith in "Annexure C" to the Independent Auditor Report.

For ARUN M AGARWAL & ASSOCIATES

Chartered Accountants

FRN No: 128207W

CA ARUNKUMAR M. AGARWAL

Partner

Membership No. 110848

UDIN: 23110848BGWXVW8282

Place: Mumbai

Date: 26th April 2023

Annexure A

Independent Auditor's report on Companies (Auditor's Report) Order, 2020, as amended, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013 ("the Act")

- i. In relation to Property, Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any immovable properties during the financials year.
 - d) According to information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended 31 March 2023.
 - e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 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)(a) of the Order are not applicable. Hence the requirements of physical verification and discrepancy for the same are not applicable to the Company.
 - b) According to information and explanations given to us and on the basis of our examination of the records of the company, at any point of time of the year, the company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the order 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. In our opinion and according to the information and explanations given to us, 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 from public or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, Accordingly, the provisions of Clause 3(v) of the Order are not applicable
- vi. According to the information and explanations 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. Statutory dues
 - a) According to the information and explanations given to us and records of the company examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance fund, income tax, goods and service tax, custom duty, cess, and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2023
 - b) There are no dues referred to in sub-clause (a), which have not been deposited on account of any dispute as on 31st March 2023.
- viii. According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - a) According to the information and explanations given to us, the company has not taken any loan or other borrowing from any lender and hence the reporting requirements under sub-clause (a) of clause (ix) of paragraph 3 of the order are not applicable.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) According to the information and explanations given to us, the company has not taken any loan and hence the reporting requirements under sub-clause (c) of clause (ix) of paragraph 3 of the order are not applicable.
 - d) The company has not taken any loan and hence the reporting requirements under sub-clause (d) of clause (ix) of paragraph 3 of the order are not applicable.
 - e) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (e) of clause (ix) of paragraph 3 of the order are not applicable.
 - f) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (f) of clause (ix) of paragraph 3 of the order are not applicable.
- x.
 - a) According to the information and explanation given to us and the record produced before us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the and hence reporting under clause 3(x)(a) of the

Order is not applicable.

- b) According to the information and explanation given to us and the record produced before us, 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) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the standalone financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.
- b) According to the information and explanation given to us and the record produced before us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.
- c) According to the information and explanations provided to us, no whistle blower complaints have been received during the period and upto the date of this report.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone 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. To the best of our knowledge and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.

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 has been no resignation of the statutory auditors during the year and accordingly this clause 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 standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- a) As explained, there is no ongoing projects for which the company is required to transfer any unspent amount to a Fund specified in Schedule VII of the Companies Act within six months of the months of the expiry of the financial year.
- b) No amount is remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For ARUN M AGARWAL & ASSOCIATES

Chartered Accountants

FRN No: 128207W

CA ARUNKUMAR M. AGARWAL

Partner

Membership No. 110848

UDIN: 23110848BGWXVW8282

Place: Mumbai

Date: 26th April 2023

Annexure B

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

In conjunction with our audit of the financial statements of **LIC Pension Fund Limited** as at and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company as at 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR. 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's IFCoFR 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 IFCoFR 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For ARUN M AGARWAL & ASSOCIATES

Chartered Accountants

FRN No: 128207W

CA ARUNKUMAR M. AGARWAL

Partner

Membership No. 110848

UDIN: 23110848BGWXVW8282

Place: Mumbai

Date: 26th April 2023

Annexure C

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 31st March 2023, 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 terms & 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.

LIC Pension Fund Limited

CIN-U66020MH2007PLC176066

Balance Sheet as at 31st March 2023

Particulars	Note No.	31st March 2023	31st March 2022
		Amount in ₹ lakhs	Amount in ₹ lakhs
I Equity and Liabilities			
(1) Shareholders Funds			
(a) Share Capital	2	5,000.00	5,000.00
(b) Reserves and Surplus	3	10,377.61	5,695.26
		15,377.61	10,695.26
(2) Non-current liabilities			
(a) Long-term provisions	4	28.24	10.92
(3) Current liabilities			
(a) Other current liabilities	5	232.63	429.06
(b) Short-term provisions	6	125.00	203.00
		357.63	632.06
Total		15,763.48	11,338.24
II Assets			
(1) Non-current Assets			
(a) Property, Plant and Equipments & Intangible Assets			
(i) Property, Plant and Equipments	7A	12.70	8.69
(ii) Intangible Assets	7B	-	-
(iii) Intangible Assets under Development	7C	10.26	-
(b) Deferred Tax Asset	8	9.74	5.36
(c) Long Term Loans & Advances	9	3.85	124.69
(d) Other Non-current Assets	10	7,753.36	6,194.21
		7,789.91	6,332.95
(2) Current Assets			
(a) Trade Receivables	11	1,035.36	912.61
(b) Cash and Bank Balances	12	6,261.25	3,667.45
(c) Other Current Assets	13	676.96	425.23
		7,973.57	5,005.29
Total		15,763.48	11,338.24
Summary of Significant Accounting Policies and Corporate Information	1		
The accompanying notes 2 to 21 form an integral part of the Financial Statements in terms of our report attached.			

M/S Arun M Agarwal & Associates
Chartered Accountants
Firm Registration No.128207W

Shri. Debasish Mohanty
Director
DIN:09542862

Sri Raghupal Singh
Managing Director & CEO
DIN:09583239

CA Arunkumar M Agarwal
Partner
Membership No. :110848

Shri. Avinash Abhyankar
Company Secretary
Membership No : A19923

Shri. Kanhaya Lal Gupta
Chief Financial Officer
PAN : AFPCPG3760L

Place : Mumbai

Date : 26th April 2023

LIC Pension Fund Limited

CIN-U66020MH2007PLC176066

Statement of Profit and Loss Account for the year ended 31st March 2023

Sr. No	Particulars	Note No.	For the year ended 31st March 2023 Amount in ₹ lakhs	For the year ended 31st March 2022 Amount in ₹ lakhs
I	Revenue from Operations	14	10,635.99	9,389.71
II	Other Income	15	665.84	422.83
III	Total Income (I+ II)		11,301.83	9,812.54
IV	Expenses			
	Employee Benefit Expenses	16	727.86	732.11
	Depreciation and amortization expense	7	4.69	3.93
	Annual Fees to PFRDA	17	3,333.28	2,716.78
	Other Expenses	18	301.22	197.59
	Total		4,367.05	3,650.41
V	Profit before prior period and extraordinary items and tax (III-IV)		6,934.78	6,162.13
VI	Prior Period adjustments	19	(13.02)	-
VII	Profit before extraordinary items and tax (V-VI)		6,921.76	6,162.13
VIII	Extraordinary Items		-	-
IX	Profit / (Loss) before tax (VII-VIII)		6,921.76	6,162.13
X	Less :Tax expense			
	Current tax		1,747.20	1,545.88
	Deferred tax		(4.38)	(0.52)
	(Excess) /Short Provision for taxation/ others		(3.41)	(15.11)
	Total Tax expense:		1,739.41	1,530.25
XI	Profit/(Loss) for the year (IX-X)		5,182.35	4,631.88
XII	Earning per equity share:			
	Basic & Diluted - Rupees		10.36	12.90
	Face Value per Ordinary Shares - Rupees		10.00	10.00
	Summary of Significant Accounting Policies	1		
	The accompanying notes 2 to 21 form an integral part of the Financial Statements in terms of our report attached.			

M/S Arun M Agarwal & Associates
Chartered Accountants
Firm Registration No.128207W

Shri. Debasish Mohanty
Director
DIN:09542862

Sri Raghupal Singh
Managing Director & CEO
DIN:09583239

CA Arunkumar M Agarwal
Partner
Membership No. :110848

Shri. Avinash Abhyankar
Company Secretary
Membership No : A19923

Shri. Kanhaya Lal Gupta
Chief Financial Officer
PAN : AFCPG3760L

Place : Mumbai

Date : 26th April 2023

LIC Pension Fund Limited

CIN-U66020MH2007PLC176066

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

Sr. No.	Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
A	Cash Flow from Operating activities		
	Profit/(Loss) before extraordinary items and tax	6,921.76	6,162.13
	Adjustments:		
	Add: Depreciation and amortization	4.69	3.93
	Add: Dividend Paid	-	-
	Less: Income from Interest	(657.13)	(415.04)
	Less: Interest on IT Refund	(8.51)	(7.59)
	Add: Provision for Gratuity	1.84	3.43
	Add: Provision for Leave Encashment	15.48	-
		6,278.13	5,747
	Working capital changes:		
	(Increase) /Decrease in Long Term Loans and Advances	120.84	15.33
	(Increase) /Decrease in other non-current assets	(1,559.15)	(5,731.90)
	(Increase) /Decrease in other current assets	(251.73)	72.66
	(Increase) /Decrease in other Bank Balance	(2,772.01)	1,968.01
	(Increase) /Decrease in Trade receivables	(122.75)	(472.42)
	Increase/(Decrease) in other current liabilities	(196.43)	(1,218.83)
	Increase/(Decrease) in Short term provisions	(78.00)	203.00
	Cash generated from operations	1,418.90	582.71
	Less/(Add) Income taxes paid (net of refunds)	1,735.28	1,523.18
	Net Cash Flow from Operating Activities: Total of (A)	(316.38)	(940.47)
B	Cash Flow from Investing Activities		
	Capital expenditure on fixed assets	(18.96)	(0.88)
	Income from Interest	657.13	415.03
	Net cash from Investing Activities: Total of (B)	638.17	414.15
C	Cash Flow from Financing activities		
	Issue of Fresh Equity Shares	-	2,000.00
	Dividend Paid	(500.00)	-
	Net cash from Financing Activities: Total of (C)	(500.00)	2,000.00
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(178.21)	1,473.68
	Add: Cash and cash equivalents as at 01.04.2022	2,062.45	588.77
	Cash and cash equivalents as at 31.03.2023	1,884.24	2,062.45
	Reconciliation of Cash Flow		
	Cash and cash equivalents as per cash flow statement	1,884.24	2,062.45
	Add: Other Bank Balance	4,377.01	1,605.00
	Cash and cash equivalents as per Note 12	6,261.25	3,667.45

Notes are integral part of Financial Statements

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

M/S Arun M Agarwal & Associates
Chartered Accountants
Firm Registration No.128207W

Shri. Debasish Mohanty
Director
DIN:09542862

Sri Raghupal Singh
Managing Director & CEO
DIN:09583239

CA Arunkumar M Agarwal
Partner
Membership No. :110848

Shri. Avinash Abhyankar
Company Secretary
Membership No : A19923

Shri. Kanhaya Lal Gupta
Chief Financial Officer
PAN : AFCPG3760L

Place : Mumbai

Date : 26th April 2023

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 prescribed under section 133 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 & Bank Balances

It is followed as per GAAP and guidance note issued by ICAI whereby cash in hands, cash at banks, short term deposit with banks/NBFC having maturity within three month are shown under the head cash and cash equivalents and fixed deposit with bank/NBFC having maturity within 12 months are shown under the head other bank balances.

LIC Pension Fund Limited

Notes Forming Part of Financial Statements For The Year Ended 31st March 2023

NOTE 2 : SHARE CAPITAL

Particulars	31st March 2023		31st March 2022	
	Number of shares	Amount in ₹ lakhs	Number of shares	Amount in ₹ lakhs
Authorised Share Capital				
Equity shares of Rs. 10 each with voting rights	50,000,000	5,000	50,000,000	5,000
Issued Share Capital				
Equity shares of Rs. 10 each with voting rights	50,000,000	5,000	50,000,000	5,000
		5,000		5,000
Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	50,000,000	5,000	50,000,000	5,000
Total		5,000		5,000

i) Rights of Equity Shareholders

The Company has one class of equity shares having a par value of Rs.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.

Particulars	Opening Balance	Fresh issue	Bonus/Buy Back	Closing Balance
Equity Shares with Voting Rights:				
For the year ended 31st March 2023				
Number of shares	50,000,000	-	-	50,000,000
Amount (in Rupees lakhs)	5,000	-	-	5,000
For the year ended 31st March 2022				
Number of shares	30,000,000	20,000,000	-	50,000,000
Amount (in Rupees lakhs)	3,000	2,000	-	5,000

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:	2022	2021	2020	2019	2018
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 31,2023		As At March 31,2022	
	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	50,000,000	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, 2023	As at March 31, 2022
	Number of shares held	Number of shares held
Equity Shares with Voting Rights:		
Life Insurance Corporation of India	50,000,000	50,000,000

vii) Shares held by promoters at the end of the year as at 31.03.2023

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 31.03.2022

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	

LIC Pension Fund Limited

Notes Forming Part of Financial Statements For The Year Ended 31st March 2023

NOTE 3 : RESERVE & SURPLUS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Opening Balance	5,695.26	1,063.38
(+) Additions: Profit for the year	5,182.35	4,631.88
(-) Utilisation: Dividend Paid during the Year	500.00	-
Total	10,377.61	5,695.26

NOTE-4 LONG-TERM PROVISIONS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Provision for Gratuity	12.76	10.92
Provision for Leave Encashment	15.48	-
Total	28.24	10.92

NOTE-5 OTHER CURRENT LIABILITIES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Deposit from vendor	-	0.31
LIC of India (Reimbursement of Expenses)	-	247.66
Statutory Liabilities (Contributions to PF , GST and Taxes etc.)	178.82	156.44
Outstanding Expenses	53.81	24.65
Total	232.63	429.06

NOTE-6 SHORT TERM PROVISIONS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
<u>Provision for Employee Benefits- PLI</u>		
Balance at the beginning of the year	203.00	63.00
Add: Provision made during the year	125.00	140.00
Less: Amount utilised during the year	203.00	-
Balance at the end of the year	125.00	203.00

LIC Pension Fund Limited

Notes Forming Part of Financial Statements For The Year Ended 31st March 2023

Note 7 : PROPERTY, PLANT & EQUIPMENT & INTANGIBLE ASSETS

7A. Property Plant & Equipment

I/A. Property Plant & Equipment				Amount in ₹ lakhs								
Sr. No	Particulars	Useful life in years	Gross Block			Accumulated Depreciation			Net Block			
			Balance as at 1st April, 2022	Addition during the year	Deduction during the year	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Addition during the year	Deduction during the year	WDV as on 31.03.2023	WDV as on 31.03.2022	
1	Furnitures & Fixtures	10.00	5.98	5.60	-	11.58	5.60	0.58	-	6.18	5.40	0.38
2	Office Equipment	5.00	10.51	3.62	-	14.13	6.68	1.85	-	8.53	5.60	3.83
3	Computer											
	a. Servers	6.00	6.44	-	-	6.44	5.59	0.22	-	5.81	0.63	0.85
	b. End Users	3.00	18.76	-	1.21	17.55	15.12	2.04	0.68	16.48	1.07	3.64
	Total		41.69	9.22	1.21	49.70	32.99	4.69	0.68	37.00	12.70	8.69
	Previous Year		40.80	0.89	-	41.69	29.08	3.92	-	33.00	8.69	-

7B. Intangible Assets

7B. Intangible Assets				Amount in ₹ lakhs								
Sr. No	Particulars	Useful life in years	Gross Block				Accumulated Depreciation				Net Block	
			Balance as at 1st April, 2022	Addition during the year	Deduction during the year	Balance as at 31st March, 2023	Balance as at 1st April, 2022	Addition during the year	Deduction during the year	Balance as at 31st March, 2023	WDV as on 31.03.2023	WDV as on 31.03.2022
1	Computer Software	3	21.58	-	-	21.58	21.58	-	-	21.58	-	-
	Total		21.58	-	-	21.58	21.58	-	-	21.58	-	-
	Previous Year		21.58	-	-	21.58	21.58	-	-	21.58	-	-

LIC Pension Fund Limited

Notes Forming Part of Financial Statements For The Year Ended 31st March 2023

Note 7C : Intangible assets under development:

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Balance at the beginning of the year	-	-
Additions during the year	10.26	-
Disposals / Adjustments	-	-
Balance at the end of the year	10.26	-

7C.1 : Ageing as at 31st March 2023

Amount in ₹ lakhs

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.26	-	-	-	10.26
Projects temporarily suspended	-	-	-	-	-

7C.2 : The Company does not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

NOTE 8: DEFERRED TAX ASSET

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Deferred Tax Asset	9.74	5.36
Due to difference between		
i. Depreciation as per Companies Act and depreciation as per Income Tax Act	5.36	4.84
ii. Provision for expenses	4.38	0.52
Total	9.74	5.36

NOTE 9: LONG TERM LOANS & ADVANCES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Advance tax / TDS (Net of Provision for Tax)	3.85	124.69
Total	3.85	124.69

NOTE 10: OTHER NON CURRENT ASSETS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Security Deposits :-		
Security Deposit for Premises	0.18	0.18
Security Deposit for Electricity	0.79	0.63
Security Deposit for Demat of Shares	1.50	1.50
Security Deposit for Leased Accomodation	0.89	0.89
Other Balances with Bank :-		
Fixed Deposit with Banks/NBFC with a maturity period of more than 12 months	7,750.00	6,191.01
Total	7,753.36	6,194.21

NOTE 11 : TRADE RECEIVABLES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Less than six months		
Unsecured, considered good		
NPS Trustees A/c	1,035.36	912.61
Total	1,035.36	912.61

Trade Receivable Ageing Schedule (as at 31.03.2023)

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
i. Undisputed Trade receivables - considered good	1,035.36	-	-	-	-	1,035.36
ii. Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Trade Receivable Ageing Schedule (as at 31.03.2022)

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
i. Undisputed Trade receivables - considered good	912.61	-	-	-	-	912.61
ii. Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

NOTE 12: CASH AND BANK BALANCES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
CASH AND CASH EQUIVALENTS		
Balance with banks	1,085.31	1,634.45
Fixed deposits held with Banks/ NBFCs with maturity for a period of 3 months or less	798.93	428.00
Sub Total (A)	1,884.24	2,062.45
OTHER BANK BALANCE		
Fixed Deposits with Banks/NBFC with maturity more than 3 months and upto 12 months	4,377.01	1,605.00
Sub Total (B)	4,377.01	1,605.00
Total (A+B)	6,261.25	3,667.45

NOTE 13: OTHER CURRENT ASSETS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Interest accrued on Fixed Deposits	645.09	394.51
Interest accrued on Saving Bank A/C	2.96	6.49
Advances to Employees	2.33	-
Amount Recoverable from Vendor	-	0.05
GST ITC Credit	6.17	4.18
Fees Receivable from NPS Trust	3.99	3.99
Prepaid Expenditure	16.42	16.01
Total	676.96	425.23

NOTE 14 : REVENUE FROM OPERATIONS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Management Fees	10,635.99	9,389.71
Total	10,635.99	9,389.71

NOTE 15 : OTHER INCOME

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Interest on Fixed Deposits	640.87	384.20
Interest on Saving Bank A/C	16.26	30.84
Interest on Income Tax Refund	8.51	7.59
Misc. Income	0.20	0.20
Total	665.84	422.83

NOTE 16: EMPLOYEE BENEFIT EXPENSES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Salaries and Wages	629.51	653.95
Contribution to Provident Fund and Other Funds	52.25	46.50
Rent for Staff	3.52	2.06
Staff Welfare Expense	42.58	29.60
Total	727.86	732.11

NOTE17 : ANNUAL FEES TO PFRDA

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Annual Fees to PFRDA	3,333.28	2,716.78
Total	3,333.28	2,716.78

NOTE 18: OTHER EXPENSES

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Disaster Recovery Management expenses	16.38	13.33
Electricity expenses	5.31	4.54
Gifts and momemtos	12.60	20.46
Market Analysis Software	75.65	62.26
Mfund AMC	15.41	12.47
Miscellaneous expenses	17.67	9.90
Rent for office	30.82	7.41

Office Up keep	1.42	1.34
<i>Payment to auditor (Refer Note Below)</i>	16.18	15.81
Printing & Stationary	4.65	1.83
Professional Services	2.16	1.24
Recruitment /Supply Agency Servcie	10.91	6.88
ROC & Stamp Duty Exp.	-	9.53
Rent for Company car	12.34	13.11
Sanitization Expenses	-	1.22
Sect. Consultancy & Sect. expenses	3.44	2.17
Sitting fees	5.10	4.20
Telephone , Mobile and Internet charges	1.80	2.18
Travelling Expenses	3.65	-
CSR Contribution	45.00	-
Training Expenses	-	2.03
Publicity Expenses	2.13	0.18
Conference and Meeting Expenses	11.67	0.90
Motor Car Expenses	1.16	-
Reimbursement To NPS Trust	1.67	-
Valuation Services	4.10	4.60
Total	301.22	197.59
	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Footnote:		
Payment to auditor comprises of:		
NPS Audit Scheme Fees	11.22	10.20
Statutory Audit Fees	0.56	0.56
Fees for certifying Accounts in IRDA Formats	1.00	1.50
Certificate Fee	0.05	0.20
Tax Audit Fees	1.50	1.20
Internal Audit Fees	1.85	2.15
Total	16.18	15.81

NOTE19 : PRIOR P ERIOD ITEMS

Particulars	31st March 2023 Amount in ₹ lakhs	31st March 2022 Amount in ₹ lakhs
Leave Encashment Expenses	13.02	-
Total	13.02	-

LIC Pension Fund Limited

Notes Forming Part of Financial Statements For The Year Ended 31st March 2023

NOTE-20: RATIO ANALYSIS

Amount in ₹ lakhs

Sr no	Particulars	Numerator	Denominator	Current Year		Previous year		As on March, 2023	As on March, 2022	Reason for change if more than 25%
		Current Assets	Current Liabilities	Numerator	Denominator	Numerator	Denominator			
1	Current Ratio			7,974	358	5,005	632	22.30	7.92	Due to increase in Fixed Deposit with banks
2	Debt-Equity Ratio	-	-	-	-	-	-	NA	-	NA since no debt exists
3	Debt-Service Coverage Ratio	-	-	-	-	-	-	NA	-	NA since no debt exists
4	Return on Equity	Net Profit after Tax	Average Shareholder's Equity	5182.35	13036.44	4631.88	7379.32	39.75%	62.77%	Due to revision of Management fees rate in previous year
5	Inventory Turnover Ratio	-	-	-	-	-	-	NA	NA	NA since no inventory exists
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	10635.99	973.99	9389.71	676.40	10.92	13.88	NA
7	Trade Payable Turnover Ratio	-	-	-	-	-	-	NA	NA	NA since no outstanding Trade payable
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	10635.99	5994.59	9389.71	3259.35	1.77	2.88	Due to increase in Fixed Deposit with banks
9	Net Profit Ratio	Net Profit after Tax	Revenue from Operations	5182.35	10635.99	4631.88	9389.71	0.49	0.49	NA
10	Return on Capital employed	EBIT	Capital Employed	6934.78	15367.87	6162.13	10689.90	45.13%	57.64%	NA
11	Return on Investment	-	-	-	-	-	-	NA	NA	NA since no investments made

Note 21- Other Notes to Financial Statements

- 1) There is NIL contingent Liability as at 31st March 2023.
- 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 and Guidance Note issued by ICAI for Cash & Bank Balances and reporting is made as required by Accounting Standard -3 as specified under section 133 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 in respect of employees posted to the company on deputation by Life Insurance Corporation of India, no report under AS15 is obtained. However company is providing retirement benefits for employee recruited by the company on the basis of Valuation Report as per AS-15.
- 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/ Holding Company
2	Mr. Raghupal Singh	Key Management Personnel
3	Mr. Kanhaya Lal Gupta	Key Management Personnel
4	Mr. Avinash Abhyankar	Key Management Personnel

(b) Details of Transactions with related parties

Amount in ₹ lakhs

Transaction Details	Nature of Relationship	2022-23	2021-22
Reimbursement towards expenses	Holding Company	346.75	2218.87
Payment towards:			
Rent		30.82	7.41
Remittances of deductions from salary pertaining to employees on Deputation		176.64	nil
Dividend paid during the FY 2022-23		500	nil
Receipt and repayment of deposit for directorship		1	nil

Remuneration:			
Mr. Raghupal Singh (appointed as MD & CEO on Board of the company w.e.f. 01.05.2022)	Key Managerial Personnel	47.51	nil
Ms. Priti Panwar (resigned as MD & CEO from Board of the company on 28.04.2022)		12.53	82.34
Mr. Kanhaya Lal Gupta (Chief Financial Officer)		37.56	18.21
Mr. Avinash Abhyankar (Company Secretary)		39.32	34.54

(c) Details of Balances as on year end

Amount in ₹ lakhs

Particulars	Nature of Relationship	2022-23	2021-22
Other Current Liabilities	Holding Company	NIL	247.66

(d) Investment in Group Companies

Amount in ₹ lakhs

Particulars	Nature of Relationship	2022-23	2021-22
Investment in Group Cos.(LIC Housing Finance Ltd.)	Group Company		
Transaction; -			
(i) Redemption of FD (inclusive of Interest)		329.61	90.48
(ii) Placement in FD of LICHFL		450.00	265.00
(iii) Interest Income on FD with LICHFL		90.32	55.45
Balance as on year end			
(iv) Accrued Interest on FD with LICHFL		88.32	55.45
(v) Closing Balance of FD with LICHFL		1500.00	1315.00

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 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 and the relevant provisions of the Companies Act, 2013, the required disclosure is given below.

Amount in ₹ lakhs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Net profit attributable to shareholder	5182.35	4631.88
Number of equity shares (Weighted Average)	5,00,00,000	3,59,17,808

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Basic and Diluted earnings per share (in Rs.)	10.36	12.90
Face Value (in Rs.)	10	10

9) Auditors' Remuneration

Amount in ₹ lakhs

Particulars	Year ended 31.03.2023*	Year ended 31.03.2022 *
Statutory Audit Fees	0.56	0.56
Other matters	0.50	1.70
Total	1.06	2.26

*Exclusive of GST

10) Employee Benefits

The present value of the obligation and Current service Cost is determined on the basis of Valuation report received from LIC of India

Amount in ₹ lakhs

Particulars	As At 31.03.2023	As At 31.03.2022
1. Principal assumptions used for the purpose of actuarial valuation		
Mortality	IALM 12-14 (Ultimate)	IALM 12-14 (Ultimate)
Withdrawal Rate	1 % to 3 % depending upon age	1 % to 3 % depending upon age
Valuation rate of Discount	7.25%	7.00%
Salary Escalation	6.00%	6.00%
2. Expense recognized in the statement of Profit and Loss		
Current Service Cost	1.84	3.43
3. Change in benefit obligations:		
Present Value of Past Service Benefit		
Opening Balance at the beginning of the year	10.92	7.49
Current Service Cost	1.84	3.43
Closing Balance at end of the year	12.76	10.92

- 11) Corporate Social Responsibility: - As per provisions of Section 135 of the Companies Act, 2013, read along with the Rules made thereunder and Schedule VII thereto, the Company has to incur at least 2% of average net profits, as computed under Section 198 of the Companies Act, 2013, of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, Company has to spend a sum of Rs. 44.96 Lakhs towards CSR Activities for the Financial Year 2022-2023.

Amount in ₹ lakhs

Details of CSR Expenditure	31st March 2023
a. Unspent amount as at the beginning of the year	-
b. Gross amount required to be spent by the Company during the year	44.96
c. Amount spent during the year	45.00
d. Unspent amount as at the year end	-

e. Average Net Profit of three preceding financial years (Amount in Crores)	22.48
f. Reason for Shortfall	Nil
g. Nature of CSR activities: Contribution to	
i. Clean Ganga Fund (NamamiGange Foundation)	25.00
ii. Tata Memorial Centre	20.00

- 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) Board of Directors of the company has recommended for declaration of final dividend for the year 2022-23 @20% of Issued and Paid up capital for approval by Shareholders of the company.
- 14) Earning in foreign Currency: NIL
- 15) Expenses incurred in Foreign Currency on account of Travelling: NIL
- 16) Value of Imports of CIF Basis: NIL
- 17) Figures of the previous period have been re-grouped, re-arranged wherever necessary
As per our report of even date attached

M/S Arun M Agarwal & Associates
Chartered Accountants
 Firm Registration
 No.128207W

Shri. Debasish Mohanty
Director
 DIN:09542862

Sri Raghupal Singh
Managing Director & CEO
 DIN:09583239

CA Arunkumar M Agarwal
Partner
 Membership No. :110848

Shri. Avinash Abhyankar
Company Secretary
 Membership No : A19923

Shri. Kanhaya Lal Gupta
Chief Financial Officer
 PAN : AFCPG3760L

Place: Mumbai

Date: 26th April 2023

Notes

[illegible]

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across the entire width of the page, providing a template for writing or drawing. The margins are consistent on all sides.

Notes

[illegible]



LIC Pension Fund Ltd.
