



**ICICI Prudential Pension Funds Management
Company Limited**

Financial Statements together with Auditor's Report for the year
ended March 31, 2015

INDEPENDENT AUDITORS' REPORT

**To the Members of
ICICI Prudential Pension Funds Management Company Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of ICICI Prudential Pension Funds Management Company Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- ii) in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 any pending litigations which would impact its financial position.
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

(CHIRAG DOSHI)
PARTNER
Membership No.119079

Place: Mumbai

Date: April 24, 2015

Annexure to the Auditors' Report

(Referred to in Paragraph 1 of our report of other Legal and Regulatory requirement of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The activities of the Company and the nature of its business do not involve the use of inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to/ from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to sale of services. The activities of the Company do not involve purchase of inventory, fixed assets and sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal controls.
- (v) The Company has not accepted any deposits from the public and hence paragraph 3 (v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act.
- (vii) In respect of statutory dues:
 - (a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues wherever applicable, with the appropriate authorities during the year and there are no statutory dues outstanding for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no cases of non-deposit of disputed Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess with the appropriate authority.

- (c) No amounts are required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder and hence paragraph 3 (vii) clause c of the Order is not applicable.
- (viii) The Company has accumulated losses of Rs. 11,282,107/- cash losses of 48,556,251 at the end of the financial year and, had accumulated losses of Rs. 12,283,418 and incurred a cash loss of Rs. 10,538,932/- in the immediately preceding financial year.
- (ix) The Company has not borrowed any amounts from banks, financial institutions or by issue of debentures. Accordingly paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans and hence paragraph 3 (xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

(CHIRAG DOSHI)
PARTNER
Membership No.119079

Place: Mumbai

Date: April 24, 2015

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED
BALANCE SHEET AT MARCH 31, 2015

(In ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	270,000,000	270,000,000
Reserves and surplus	3.2	(11,282,107)	(12,283,418)
		258,717,893	257,716,582
Non-current liabilities			
Deferred tax liabilities (net)	3.3	204,872	195,826
Current liabilities			
Other current liabilities	3.4	6,039,949	33,099,896
Short-term provisions	3.5	103,500	-
Total		265,066,214	291,012,304
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.6	177,450	241,769
Intangible assets		837,715	1,482,757
		1,015,165	1,724,526
Non-current investments	3.7	50,000,000	-
Other non-current assets	3.8	197,819,916	1,087,343
Current assets			
Current investments	3.9	8,036,675	39,490,274
Trade receivables	3.10	86,037	933,331
Cash and bank balances	3.11	3,505,759	224,100,506
Short-term loans and advances	3.12	1,478,814	2,794,390
Other current assets	3.13	3,123,848	20,881,934
		16,231,133	288,200,435
Total		265,066,214	291,012,304
Refer accompanying significant accounting policies and other explanatory information			

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

For and on behalf of the Board of Directors

Chirag Doshi
Partner
Membership No. 119079

Sandeep Bakhshi
Chairman

Sandeep Batra
Director

Place: Mumbai
Date: April 24, 2015

Meghana Baji
Chief Executive Officer

Harvinder Jaspal
Chief Financial Officer

Vishal Mehta
Company Secretary

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(In ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
Revenue from operations			
Investment management fees	3.14	1,913,032	2,824,104
Other income			
Interest on fixed deposits		17,410,744	22,143,376
Interest on non-convertible debentures		2,726,959	-
Interest on income tax refund		69,724	38,035
Gain on sale of investments		7,022,854	312,149
Total revenue (A)		29,143,313	25,317,664
Expenses			
Employee benefits expense	3.15	18,455,658	23,661,817
Other expenses & provisions	3.16	8,717,003	11,250,271
Depreciation and amortisation expense	3.6	856,795	1,068,330
Total expenses (B)		28,029,456	35,980,418
Profit/(Loss) before tax (A-B)		1,113,857	(10,662,754)
Tax expense			
Current tax		103,500	-
Deferred tax charge/(credit)	3.3	9,046	(5,161)
Profit/(Loss) for the year		1,001,311	(10,657,593)
Earnings/(losses) per equity share:			
Basic and diluted earnings/(losses) per equity share (₹)	3.17	0.04	(0.39)
Refer accompanying significant accounting policies and other explanatory information			

The notes referred to above form an integral part of the financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

For and on behalf of the Board of Directors

Chirag Doshi
Partner
Membership No. 119079

Sandeep Bakhshi
Chairman

Sandeep Batra
Director

Place: Mumbai
Date: April 24, 2015

Meghana Baji
Chief Executive Officer

Harvinder Jaspal
Chief Financial Officer

Vishal Mehta
Company Secretary

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(In ₹)

Particulars	March 31, 2015	March 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Management fees received	2,805,438	2,028,557
Expenses paid	(54,179,829)	(13,148,899)
(Payment)/Refund of income tax - net	2,748,416	543,375
Interest on income tax refund	69,724	38,035
Net cash used in operating activities (A)	(48,556,251)	(10,538,932)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	262,909,061	82,439,533
Purchase of investments	(274,522,650)	(109,500,000)
Maturity proceeds of fixed deposit	250,394,739	97,000,000
Placement of fixed deposit	(195,277,077)	(73,500,000)
Interest on fixed deposit	5,010,852	14,069,570
Net cash from investing activities (B)	48,514,925	10,509,103
CASH FLOWS FROM FINANCING ACTIVITIES		
Nil	-	-
Net cash used in financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	(41,326)	(29,829)
Cash and cash equivalents at the beginning of the year	47,085	76,914
Cash and cash equivalents at the end of the year	5,759	47,085
Notes to the cash flow statement:		
Cash and cash equivalents at the end of the year	5,759	47,085
Other bank balances	3,500,000	70,000,000
Cash and bank balances at the end of the year	3,505,759	70,047,085
Components of cash and cash equivalents:		
Balance in current account	5,759	47,085

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

For and on behalf of the Board of Directors

Chirag Doshi
Partner
Membership No. 119079

Sandeep Bakhshi
Chairman

Sandeep Batra
Director

Place: Mumbai
Date: April 24, 2015

Meghana Baji
Chief Executive Officer

Harvinder Jaspal
Chief Financial Officer

Vishal Mehta
Company Secretary

ICICI Prudential Pension Funds Management Company Limited

Significant accounting policies and other explanatory information

1 Corporate information

ICICI Prudential Pension Funds Management Company Limited (‘the Company’) is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited (‘the Sponsor’), incorporated on April 22, 2009 as a company under the Companies Act, 1956 (‘the Act’). The Company is licensed by the Pension Funds Regulatory and Development Authority (‘PFRDA’) for acting as a Pension Fund Manager for the management of the pension funds under the National Pension System. The license is in force at March 31, 2015.

2 Statement of accounting policies

2.1 Basis of preparation

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India, in compliance with the Accounting Standards (‘AS’) notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. Accounting policies applied have been consistent with previous year except where different treatment is required as per new pronouncements made by the regulatory authorities.

The management evaluates all recently issued or revised accounting pronouncements on an ongoing basis.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires that the Company’s management makes estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure relating to contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management’s evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

2.3 Revenue recognition

2.3.1 Investment management fees

Investment management fee is recognised on an accrual basis in accordance with the terms of contract between the Company and the National Pension System Trust, established by the PFRDA.

2.3.2 Income earned on investments

Interest income on investments is recognised on accrual basis. Premium or discount on debt securities is amortised or accreted respectively over the holding/maturity period on a straight-line basis. Dividend income is recognised when the right to receive dividend is established.

ICICI Prudential Pension Funds Management Company Limited

Profit or loss on sale/redemption of debt securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale.

Profit or loss on sale of equity shares/mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis as on the date of sale.

2.4 Investments

Investments that are readily realisable and intended to be held for not more than a year from the Balance Sheet date are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost or fair value determined on an individual security basis. Non-current investments are carried at cost. Provision for diminution in value is made to recognise other than temporary decline in the value of investments.

2.5 Fixed assets and Depreciation/Amortisation

Tangible assets

Fixed assets are stated at acquisition cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use. Subsequent expenditure incurred on fixed assets is expensed out except where such expenditure increases the future benefits from the existing assets beyond its previously assessed standard of performance. Depreciation is provided using Straight-Line Method ('SLM') prorated from the date of being put to use, upto the date of sale, based on estimated useful life. Assets costing upto ₹ 5,000 are fully depreciated in the year of acquisition. Pursuant to the Companies Act, 2013 and amendment thereof (the "Act"), the Company has reassessed the useful life of its fixed assets and has aligned it with the useful life specified in Schedule II of the Companies Act, 2013.

This has resulted in reduction in the charge of depreciation of Rs. 23,597 for the year ended March 31, 2015. The carrying value of the assets as on April 01, 2014 is being depreciated over the revised remaining useful life.

Asset	Useful life
Office equipments	5 years

Intangible assets

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Software expenses are amortised using SLM over a period of 4 years from the date of being put to use.

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2.6 Impairment of assets

Management periodically assesses, using external and internal sources, whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset unit is made. Impairment occurs where the carrying value of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its eventual disposal. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost.

2.7 Income taxes

Direct taxes

Tax expense comprises current and deferred tax. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised; however, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence of realisation of such assets.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

Indirect taxes

Service tax liability on output services is set-off against the service tax credits available from tax paid on input services. Unutilised service tax credits, if any, are carried forward for future set-off, where there is reasonable certainty of utilisation.

Provision is made for unutilised service tax credit where the utilisation is uncertain.

ICICI Prudential Pension Funds Management Company Limited

2.8 Provisions and contingencies

Provisions are recognised in respect of present obligations as a result of a past event and it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc are recorded when it is possible that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are neither recognised nor disclosed in financial statements since this may result in the recognition of income that may never be realised.

2.9 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.10 Cash flow statement

Cash flow statement is reported using the "Direct method" prescribed under Accounting Standard 3 – Cash Flow Statements which requires major classes of gross receipts and gross cash payments to be disclosed.

2.11 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

ICICI Prudential Pension Funds Management Company Limited

3 Notes to accounts

3.1 Share capital

The following table sets forth, for the dates indicated, the details of outstanding share capital.

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Authorised:		
35,000,000 (At March 31, 2014: 35,000,000) Equity shares of ₹ 10 each	350,000,000	350,000,000
Issued, subscribed and fully paid up:		
27,000,000 (At March 31, 2014: 27,000,000) Equity shares of ₹ 10 each		
(All the above equity shares of ₹ 10 each are held by the holding company, ICICI)	270,000,000	270,000,000
Prudential Life Insurance Company Limited and its nominees)		
Total	270,000,000	270,000,000

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. A reconciliation of the shares outstanding at the beginning and at the end of the period is as follows:

Equity shares	Year ended March 31, 2015		Year ended March 31, 2014	
	Number of shares	Amount in ₹	Number of shares	Amount in ₹
At the beginning of the period	27,000,000	270,000,000	27,000,000	270,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	27,000,000	270,000,000	27,000,000	270,000,000

3.2 Reserves and surplus

The following table sets forth, for the periods indicated, the details of reserves and surplus.

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Surplus - Opening balance	(12,283,418)	(1,625,825)
Add: Profit/(Loss) for the period	1,001,311	(10,657,593)
Surplus - Closing balance	(11,282,107)	(12,283,418)

ICICI Prudential Pension Funds Management Company Limited

3.3 Deferred taxes

Deferred tax asset/liability is recognised on timing differences arising between taxable and accounting income using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future. Deferred tax charge of ₹ 9,046 is recognised during the year ended March 31, 2015. (Previous year: Deferred tax credit of ₹ 5,161).

A net deferred tax liability of ₹ 204,872 is carried forward as detailed below:

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Deferred tax liabilities		
- Difference in amortisation/depreciation on fixed assets as per tax books and accounting books	204,872	195,826
Net deferred tax liabilities	204,872	195,826

3.4 Other current liabilities

The following table sets forth, for the dates indicated, the details of other current liabilities.

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Other payables		
- Payable to holding company	4,635,751	29,306,759
- Tax deducted at source payable	494,887	2,556,013
- Payable to others for expenses	334,668	618,037
Provision for other expenses	574,643	619,087
Total	6,039,949	33,099,896

3.5 Short term provisions

The following table sets forth, for the dates indicated, the details of short term provisions. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Provision for current tax recognised during the year ended March 31, 2015 is Rs. 103,500. (year ended March 31, 2014 : ₹ Nil)

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Provision for current tax	103,500	-
Total	103,500	-

ICICI Prudential Pension Funds Management Company Limited

3.6 Fixed assets

The following table sets forth, for the dates indicated, the details of fixed assets.

(In ₹)

Particulars	Gross block			Depreciation and amortisation			Net block	
	Balance at April 1, 2014	Additions/ (Disposals)	Balance at March 31, 2015	Balance at April 1, 2014	For the year	On Disposals	Balance at March 31, 2015	Balance at March 31, 2014
Tangible assets								
Office equipment	351,664	-	351,664	109,895	64,319	-	174,214	241,769
Intangible assets								
Computer software	4,513,467	147,434	4,660,901	3,030,710	792,476	-	3,823,186	1,482,757
Total	4,865,131	147,434	5,012,565	3,140,605	856,795	-	3,997,400	1,724,526
At March 31, 2014	3,672,303	1,192,828	4,865,131	2,072,275	1,068,330	-	3,140,605	

ICICI Prudential Pension Funds Management Company Limited

3.7 Non-current investments

The following table sets forth, for the dates indicated, the details of non-current investments.

(In ₹)		
Particulars	At March 31, 2015	At March 31, 2014
Other investments: Investments in debentures or bonds – quoted instruments		
- 9.39% LIC Housing Finance Limited (Maturity: August 23, 2024) (At March 31, 2015: 50 units of face value ₹ 1,000,000 each) (At March 31, 2014: Nil)	50,000,000	-
Total	50,000,000	-
Aggregate amount of investments in debentures or bonds at market value	52,571,000	-

3.8 Other non-current assets

The following table sets forth, for the dates indicated, the details of other non-current assets

(In ₹)		
Particulars	At March 31, 2015	At March 31, 2014
Service tax unutilised credit	5,713,234	-
Less: Provision for service tax unutilised credit	(5,713,234)	-
Bank deposit with residual maturity of more than 12 months	192,777,077	1,000,000
Accrued interest on bank deposit with residual maturity of more than 12 months	5,042,839	87,343
Total	197,819,916	1,087,343

The change in investment management fee from 0.25% p.a. to 0.01% p.a. effective August 01, 2014 has led to significant reduction in output service tax liability of the Company. Cenvat credit receivable includes asset created of ₹ 3,352,922 on payment of expenses of previous year. In view of the uncertainty of utilisation of cenvat credit receivable, the provision has been made for entire unutilised cenvat credit receivable.

ICICI Prudential Pension Funds Management Company Limited

3.9 Current investments

The following table sets forth, for the dates indicated, the details of current investments.

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Investments in mutual funds - quoted (at lower of cost or market value):		
- IDFC Cash Fund – Growth (At March 31, 2015: 4,914 units and 463 fractions) (At March 31, 2014: 27,591 units and 534 fractions)	8,036,675	39,490,274
Total	8,036,675	39,490,274
Aggregate amount of mutual fund investments at market value	8,357,446	42,981,670

3.10 Trade receivables

The following table sets forth, for the dates indicated, the details of trade receivables.

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured considered good		
o Investment management fees receivable	86,307	933,331
	86,307	933,331
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured considered good	-	-
- Unsecured considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
Total	86,307	933,331

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3.11 Cash and bank balances

The following table sets forth, for the dates indicated, the details of cash and bank balances

(In ₹)		
Particulars	At March 31, 2015	At March 31, 2014
Cash and cash equivalents		
Balances with banks		
- Balance in current account	5,759	47,085
Other bank balances		
- Term deposit with original maturity of more than 3 months (Refer note 3.20)	196,277,077	225,053,421
Sub-total	196,287,048	225,100,506
Amount disclosed under other non-current assets*	(192,777,077)	(1,000,000)
Total	3,505,759	224,100,506

* Term deposits with residual maturity of more than 12 months have been disclosed under non-current assets

3.12 Short-term loans and advances

The following table sets forth, for the dates indicated, the details of short term loans and advances.

(In ₹)		
Particulars	At March 31, 2015	At March 31, 2014
Others (Unsecured, considered good)		
Prepaid expenses	88,210	48,219
Advance income tax	1,390,604	2,746,171
Total	1,478,814	2,794,390

3.13 Other current assets

The following table sets forth, for the dates indicated, the details of other current assets.

(In ₹)		
Particulars	At March 31, 2015	At March 31, 2014
Interest accrued on fixed deposit	5,349,687	20,489,905
Less: Amount disclosed under other non-current assets	(5,042,839)	(87,343)
Net interest accrued on fixed deposit	306,848	20,402,562
Interest accrued on debenture/bonds	2,817,000	-
Service tax credit receivable (fixed asset)	-	147,434

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Particulars	At March 31, 2015	At March 31, 2014
Service tax unutilised credit	-	331,938
Total	3,123,848	20,881,934

3.14 Investment management fees

The Investment Management Fees is charged on closing funds under management on daily basis for all the schemes. In terms of the PFRDA's letter no. PFRDA/6/PFM/9/2 dated July 31, 2014, the Company has started charging investment management fee of 0.01% per annum, with effect from August 01, 2014. The investment management fee charged upto July 31, 2014 was 0.25% per annum.

3.15 Employee benefit expenses and cost sharing arrangement

Salaries and wages

The employees are on deputation from the Sponsor and their remuneration is paid by the Company as per the terms of employment with the Sponsor.

Cost sharing arrangement

Given the size of its operations, the Company has entered into an arrangement with the Sponsor for sharing employees and infrastructure while maintaining adequate firewalls between the two entities. Under this arrangement, all the appropriate costs attributable to the Company like employee remuneration, rent, utilities, depreciation on computers/hardware and other technology and software related expenses are transfer priced by the Sponsor to the Company. All such costs are charged to the Company on arm's length basis as per the Transfer Pricing Policy with the Sponsor. The expenses cross charged to the Company under such agreement have been shown as transactions with related parties under note 3.18.

The details of salary cross charged to the company is as follows:

(In ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Salary cross charged (Net of service tax)	17,953,882	21,336,072
Add: Cenvat unavailed on current period outstanding net of cenvat availed pertaining to previous financial year	501,776	2,325,745
Net salary expense as per statement of Profit and Loss	18,455,658	23,661,817

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3.16 Other expenses

The following table sets forth, for the periods indicated, the details of other expenses.

(In ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Provision for unutilised service tax credit	2,360,312	-
Rent and utilities charges	2,066,358	3,984,377
Information technology expenses	1,479,347	1,603,481
Legal and professional fees	1,285,522	1,486,248
PFRDA annual license fees	687,500	1,000,000
Travelling and conveyance expenses	317,061	1,354,644
Brokerage expenses	313,368	336,901
Payments to the auditor as:		
- auditor	99,514	100,000
- for reimbursement of expenses	4,416	-
Non refundable application fees	-	500,000
Communication expenses	30,032	704,921
Miscellaneous charges	73,573	179,699
Total	8,717,003	11,250,271

3.17 Earnings per equity share

(In ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net profit/(loss) after tax as per statement of profit and loss available for equity shareholders for both basic and diluted earnings per equity share of ₹ 10 each (in ₹)	1,001,311	(10,657,593)
Weighted average number of equity shares for earnings per equity share		
(a) For basic earnings per equity share	27,000,000	27,000,000
(b) For diluted earnings per equity share	27,000,000	27,000,000
Earnings per equity share		
Basic and Diluted (in ₹)	0.04	(0.39)

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3.18 Details of related parties and transactions with related parties

Related parties and nature of relationship:

Nature of relationship	Name of the related party
Ultimate holding company	ICICI Bank Limited
Holding company (Sponsor)	ICICI Prudential Life Insurance Company Limited
Fellow subsidiaries of holding company and entities jointly controlled by ultimate holding company	ICICI Securities Limited ICICI Securities Inc. ICICI Securities Holding Inc. ICICI Securities Primary Dealership Limited ICICI Venture Funds Management Company Limited ICICI Home Finance Company Limited ICICI Trusteeship Services Limited ICICI Investment Management Company Limited ICICI International Limited ICICI Bank UK PLC. ICICI Bank Canada ICICI Bank Eurasia Limited Liability Company ICICI Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by ultimate holding company	ICICI Equity Fund ICICI Strategic Investments Fund I-Ven Biotech Limited ICICI Kinfra Limited
Key management personnel	Meghana Baji, Chief Executive Officer and Chief Investment Officer

The following represents transactions between the Company and its related parties.

Transactions with the holding company are as follows:

(In ₹)

Nature of transaction	Year ended March 31, 2015	Year ended March 31, 2014
Employee benefits expenses	17,953,882	21,336,072
Rent and utilities	2,025,378	3,589,070
Information technology expense	487,091	664,201
Travelling & conveyance	229,714	1,013,197
Capital expenditure	-	1,192,828
Miscellaneous charges	103,345	524,661
Total	20,799,410	28,320,029

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Balances with the holding company are as follows:

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Expenses payable	4,635,751	27,966,497
Payable for fixed assets	-	1,340,262
Total	4,635,751	29,306,759

3.19 Contingent liabilities

(In ₹)

Particulars	At March 31, 2015	At March 31, 2014
Bank guarantee given on behalf of Company Issued in favour of PFRDA	1,000,000	1,000,000

The Company has deposited with PFRDA an unconditional and irrevocable performance bank guarantee (PBG) for the due performance and fulfillment of the terms and conditions of the Letter of appointment under the new RFP (Request for proposal) dated July 23, 2014 and the Investment Management Agreement (IMA). In the event of the Sponsor or the Company being unable to service the IMA or the terms and conditions of the Letter of appointment under the new RFP for whatever reason, PFRDA may invoke the PBG submitted by the Company.

3.20 Encumbrances of assets

The assets of the Company are free from all encumbrances at March 31, 2015, except for fixed deposits of ₹ 3,500,000 (at March 31, 2014: ₹ 3,500,000). Of this, ₹ 1,000,000 (at March 31, 2014: ₹ 1,000,000) pertains to a deposit made with State Bank of Travancore as a security towards guarantee issued by the bank on behalf of the Company in favour of PFRDA (Refer Note 3.19 Contingent Liability). Balance of ₹ 2,500,000 (at March 31, 2014: ₹ 2,500,000) (Refer Note 3.11 Cash and Bank Balances) pertains to a deposit made with Corporation Bank towards margin requirement for equity trade settlement pertaining to Scheme E Tier I and II issued in favour of National Securities Clearing Corporation Limited. The margins are imposed by clearing houses on equity cash segment transactions for enabling settlement on T+2 basis. The physical custody of the mentioned fixed deposits is with the respective clearing houses, however the income accrued on the fixed deposits shall be passed on to the Company on encashment of the mentioned deposits.

3.21 The Micro, Small and Medium Enterprises Development Act, 2006

Based on current information available with the Company, there are no dues payable to suppliers who are registered under the Micro, Small and Medium Enterprise Development Act, 2006, at March 31, 2015 (At March 31, 2014: Nil).

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3.22 Previous year comparatives

Previous year amounts have been regrouped and reclassified wherever necessary to conform to current year's presentation.

For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration No. 105049W

For and on behalf of the Board of Directors

Chirag Doshi

Partner

Membership No. 119079

Sandeep Bakhshi

Chairman

Sandeep Batra

Director

Meghana Baji

Chief Executive Officer

Harvinder Jaspal

Chief Financial Officer

Place : Mumbai

Date : April 24, 2015

Vishal Mehta

Company Secretary