



**ICICI Prudential Pension Funds Management Company  
Limited**

Financial Statements for the year ended March 31, 2023

# **ICICI Prudential Pension Funds Management Company Limited**

## **Financial Statements**

For the year ended March 31, 2023

### ***Contents***

Auditor's Report

Balance Sheet

Profit and Loss Statement

Cash Flow Statement

Accounting Policies and Other Explanatory Information

Ref No. 2023/04/011/R

## INDEPENDENT AUDITORS' REPORT

To the Members of

**ICICI Prudential Pension Funds Management Company Limited**

### Report on the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **ICICI Prudential Pension Funds Management Company Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with Rules issued thereunder and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules issued thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises information included in the Board's Report including its Annexures but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, (hereinafter referred to as the "Order") and on the basis of such checks of the books of accounts and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A hereto, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. We have inquired into the matters specified under section 143(1) and based on the information and explanations given to us, there is no matter to be reported under this section.
3. 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.
  - 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 Rules issued thereunder.
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B.
  - g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, as amended, we state that 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, (as amended) 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. The question of delay in transferring such sums does not arise.
  - iv. As per the management representation,
    - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
    - no funds have been received by the company from any person[s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the ultimate beneficiaries.
- Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management in the above stated sub-clauses contain any material mis-statement.
- v. In terms of the requirements of Section 123 of the Companies Act, 2013 in respect of dividend declared/paid during the year, we report that the Company has neither declared nor paid any dividend during the year under review.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **CHATURVEDI & CO.** *Chartered Accountants*  
(Firm Registration No. 302137E)

(S.N. Chaturvedi)  
Partner  
(Membership No.: 040479)

ICAI UDIN: 23040479BGRZOC6587

Place: Mumbai  
Date: April 19, 2023

## **Annexure-A to the Independent Auditors' Report**

The annexure referred to in our Independent Auditor's Report to the members of **ICICI Prudential Pension Funds Management Company Limited** for the year ended March 31, 2023, we report that:

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(a) (B) The Company has maintained proper records showing full particulars of intangible assets.  
  
(b) The Company has an internal policy for physical verification of Property, Plant and Equipment once every 3 years. Physical verification was done in the previous year FY 2021-22 and no material discrepancies were noticed on such verification.  
  
(c) As per information and explanation given to us, the company did not own any immovable property during the year. Accordingly, the provisions of para 3(i)(C) do not apply.  
  
(d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.  
  
(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) As the Company did not hold any inventory during the year, the provisions of paragraph 3(ii)(a) of the Order do not apply.  
(b) The Company did not have any working capital limits from banks and/or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii)(b) of the Order is not applicable.
3. (a) According to the information and explanations given to us, the Company has neither 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. In view of the foregoing, the provisions of paragraph 3 (iii)(a)(A) and 3(iii)(a)(B) of the Order are not applicable.  
(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that as the Company has not made investments, provided guarantee, given security in respect of grant of all loans and advances in the nature of loans, the question of the terms being prejudicial to the interest of the Company does not arise.  
(c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that as the Company has not made investments, provided guarantee, given security in respect of grant of all loans and advances in the nature of loans, the matter of the schedule of repayment of principal and interest being stipulated and whether such payments are regular are not applicable to the Company.



(d) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that as the Company has not made investments, provided guarantee, given security in respect of grant of all loans and advances in the nature of loans, there is no requirement of stating any loans having become overdue for payment.

(e) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that as the Company has not made investments, provided guarantee, given security in respect of grant of all loans and advances in the nature of loans, the provisions of paragraph 3(iii)(e) do not apply.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that as the Company has not made investments, provided guarantee, given security in respect of grant of all loans and advances in the nature of loans, the matter of reporting whether such loans were repayable on demand or without specifying any terms or period of repayment does not apply.

4. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments made and guarantee provided. The Company has not provided any loans, guarantees, and security during the year to parties covered under Section 185 and 186 of the Act. Accordingly, compliance under Sections 185 and 186 of the Act in respect of granting of loans and providing securities is not applicable to the Company.
5. During the year, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder as also the directives issued by Reserve Bank of India. In view of the foregoing, the provisions of clause 3 (v) of the said Order are not applicable.
6. 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 for the products /services of the Company.
7. In respect of statutory dues:
  - (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax (GST), Value added tax, Cess and other material statutory dues wherever applicable, with the appropriate authorities.
  - (b) According to the information and explanation given to us, there are no cases of non-deposit of disputed Income Tax, Goods and Services Tax (GST) with the appropriate authority.
8. According to the information and explanations given by management and based on the procedures carried out by us during the course of our audit , we have not come across any transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the payment of loans or other borrowings or in the payment of interest thereon to any lender.  
(b) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion and according to the information and explanations given to us, the Company has not availed of any term loans from banks or financial institutions; accordingly, the provisions of paragraph 3(ix)(c), in terms of their end use for the purposes for which they were raised, are not applicable.  
(d) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the Company, we report that the Company has not used short term funds for long term purposes.  
(e) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.  
(f) In our opinion and according to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. (a) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of initial public offer/further public offer (including debt instruments). Accordingly, paragraph 3(ix)(a) does not apply to the Company.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
11. (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, we report that no fraud by the Company and no fraud on the Company has been noticed or reported during the year.  
(b) As stated in clause (a) above, since no frauds by the Company or frauds on the Company have been noticed during the year, there is no requirement to file a report in Form ADT-4 under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 nor any compliance with the provisions of Section 143(12) of the Companies Act, 2013.  
(c) As represented to us by management, there are no whistle blower complaints received during the year by the Company.
12. (a) According to the information and explanations given to us and based on the procedures performed by us, we report that the Company is not a Nidhi Company as defined under the Nidhi Rules, 2014 and provisions of Section 406 of the

Companies Act, 2013. In view of the above submission, paragraphs 3(xii)(a), 3(xii)(b) and 3 (xii) (c) of the Order do not apply to the Company.

13. According to the information and explanations and records made available to us by the Company and based on the procedures performed by us, all transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013. The details of transactions during the year have been disclosed in the financial statements as required by the applicable accounting standards (Refer to Note: 3.22).
14. (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of Section 138 of the Companies Act, 2013. (b) In the absence of an internal audit system in the Company, the question of considering the Internal Audit Report as required by clause 3(xiv)(b) does not arise.
15. According to the information and explanation given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) As per the information and explanations given to us, in our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) In addition to what has been stated in clause (a) above, the Company, in our opinion, has not carried out any activities of a NBFC.  
(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and accordingly has not been registered as a CIC under the Reserve Bank of India prescriptions.  
(d) Since the Company is not a CIC, the requirement of providing details of or more CIC's in the group is not applicable.
17. The Company has not incurred cash loss during the financial year ended 31<sup>st</sup> March, 2023 and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the is not capable of meeting its liabilities existing at the balance sheet date 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 due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanation given to us, in our opinion during the year the Company was not covered by the provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR). Accordingly, the paragraphs 3(xx)(a) and 3(xx)(b) are not applicable to the Company.

21. According to the information and explanation given to us, in our opinion during the year the Company did not have any subsidiaries, joint ventures or associates requiring mandatory preparation of consolidated financial statements. Accordingly, provisions of paragraph 3(xxi) in respect of disclosing the qualifications/adverse matters given by the component auditors and/or the parent Company's auditors in their standalone CARO reports respectively does not apply to the Company.

For **CHATURVEDI & CO.** *Chartered  
Accountants*  
(Firm Registration No. 302137E)

(S.N. Chaturvedi)  
Partner  
(Membership No.: 040479)

ICAI UDIN: 23040479BGRZOC6587

Place: Mumbai  
Date: April 19, 2023

## **Annexure -B to the Independent Auditor's Report**

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("The Act")**

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

We have audited the internal financial controls over financial reporting of **ICICI Prudential Pension Funds Management Company Limited ("the Company")**, as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing as specified under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of 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 internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to the future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **CHATURVEDI & CO.**

*Chartered Accountants*

(Firm Registration No. 302137E)

(S.N. Chaturvedi)

Partner

(Membership No.: 040479)

ICAI UDIN: 23040479BGRZOC6587

Place: Mumbai

Date: April 19, 2023

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED  
AUDITED BALANCE SHEET AT MARCH 31, 2023

(₹ in '000)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3.1	600,000	600,000
Reserves and surplus	3.2	(22,541)	(50,826)
		577,459	549,174
<b>Non-current liabilities</b>			
Long term provisions	3.4	2,049	-
<b>Current liabilities</b>			
Other current liabilities	3.5	56,530	28,703
Short-term provisions	3.6	15,634	11,903
<b>Total</b>		<b>651,672</b>	<b>589,780</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipment and Intangible assets (A+B+C+D)</b>			
<b>Property, Plant and Equipment</b>			
Gross Block		3,284	1,485
Accumulated Depreciation		(716)	(11)
Net Block ( A )		2,568	1,474
<b>Intangible assets</b>			
Gross Block		7,107	4,379
Accumulated Depreciation		(3,571)	(1,713)
Net Block ( B )		3,536	2,666
<b>Capital work in progress ( C )</b>		-	826
<b>Intangible assets under development ( D )</b>		1,522	360
<b>Non-current investments</b>	3.8	458,054	508,702
<b>Deferred tax assets (net)</b>	3.3	3,027	8,525
<b>Other non-current assets</b>	3.9	14,420	18,925
		483,127	541,478
<b>Current assets</b>			
Current investments	3.10	93,500	17,353
Trade Receivables	3.11	12,910	9,230
Cash and bank balance	3.12	43,653	9,861
Short-term loans and advances	3.13	3,318	-
Other current assets	3.14	15,164	11,858
		168,545	48,302
<b>Total</b>		<b>651,672</b>	<b>589,780</b>
Refer accompanying significant accounting policies and other explanatory information	1 and 2		

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

**For Chaturvedi & Co.**  
Chartered Accountants  
Firm Registration No. 302137E

**For and on behalf of the Board of Directors**

**S.N. Chaturvedi**  
Partner  
Membership No. 040479

**N. S. Kannan**  
Chairman  
DIN: 00066009

**Amit Palta**  
Director  
DIN: 08761368

**Place:** Mumbai  
**Date:** April 19, 2023

**Sumit Mohindra**  
Chief Executive Officer

**Sachin More**  
Chief Financial Officer

**Siddharth Sinkar**  
Company Secretary  
ACS 44589



ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED  
AUDITED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023

(₹ in '000)

Particulars	Note No.	April 1, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022
Revenue from operations			
Investment management fees	3.15	110,808	84,895
PoP business income		14,480	10,244
Other income	3.16	39,171	29,684
<b>Total income (A)</b>		<b>164,459</b>	<b>124,823</b>
Expenses			
Employee benefits expense	3.17	69,521	53,897
Other expenses & provisions	3.18	58,135	27,713
Depreciation and amortisation expense	3.7	2,563	1,034
<b>Total expenses (B)</b>		<b>130,219</b>	<b>82,644</b>
<b>Profit/(Loss) before tax (A-B)</b>		<b>34,240</b>	<b>42,179</b>
<b>Tax expense</b>			
Current tax	3.3	457	-
Deferred tax charge/(credit)	3.3	5,498	(8,532)
<b>Profit/(Loss) for the period</b>		<b>28,285</b>	<b>50,711</b>
Earnings/(losses) per equity share:			
Basic and diluted earnings/(losses) per equity share (₹)	3.20	0.47	1.02
Refer accompanying significant accounting policies and other explanatory information	1 and 2		

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

**For Chaturvedi & Co.**  
Chartered Accountants  
Firm Registration No. 302137E

**For and on behalf of the Board of Directors**

**S.N. Chaturvedi**  
Partner  
Membership No. 040479

**N. S. Kannan**  
Chairman  
DIN: 00066009

**Amit Palta**  
Director  
DIN: 08761368

**Place:** Mumbai  
**Date:** April 19, 2023

**Sumit Mohindra**  
Chief Executive Officer

**Sachin More**  
Chief Financial Officer

**Siddharth Sinkar**  
Company Secretary  
ACS 44589

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED  
AUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2023

(₹ in '000)

Particulars	April 1, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Management fees received	116,999	84,735
e-NPS trail commission received	854	724
Persistency charges	142	1
Amount received from subscribers	9,006,690	8,221,532
Amount transferred to NPS Trust	(8,958,525)	(8,211,353)
Expenses paid	(157,477)	(88,772)
(Payment)/Refund of income tax - net	9,412	929
Interest on income tax refund	367	69
<b>Net cash from operating activities ( A )</b>	<b>18,463</b>	<b>7,865</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of investments	200,966	344,850
Purchase of investments	(226,036)	(587,475)
Purchase of property, plant and equipment and intangible assets	(4,503)	(3,623)
Maturity proceeds of fixed deposit	6,000	2,000
Placement of fixed deposit	-	-
Interest on fixed deposit	552	103
Interest on non-convertible debentures	13,815	13,815
Interest on government security	24,535	14,385
<b>Net cash from investing activities ( B )</b>	<b>15,329</b>	<b>(215,945)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of share capital	-	210,000
Share issue expenses	-	(1,437)
<b>Net cash from financing activities ( C )</b>	<b>-</b>	<b>208,563</b>
Net increase in cash and cash equivalents (A+B+C)	33,792	483
Cash and cash equivalents at the beginning of the period	9,861	9,378
<b>Cash and cash equivalents at the end of the period</b>	<b>43,653</b>	<b>9,861</b>
<b>Reconciliation of cash and cash equivalents with cash &amp; bank balances</b>		
Cash and cash equivalents at the end of the period	43,653	9,861
Other bank balances	-	-
<b>Cash and bank balances at the end of the period</b>	<b>43,653</b>	<b>9,861</b>
Components of cash and cash equivalents:		
Balance in current account	43,653	9,861

**For Chaturvedi & Co.**  
Chartered Accountants  
Firm Registration No. 302137E

**For and on behalf of the Board of Directors**

**S.N. Chaturvedi**  
Partner  
Membership No. 040479

**N. S. Kannan**  
Chairman  
DIN: 00066009

**Amit Palta**  
Director  
DIN: 08761368

**Place:** Mumbai  
**Date:** April 19, 2023

**Sumit Mohindra**  
Chief Executive Officer

**Sachin More**  
Chief Financial Officer

**Siddharth Sinkar**  
Company Secretary  
ACS 44589

# **ICICI Prudential Pension Funds Management Company Limited**

## **Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023**

### **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 (NPS). The license is perpetual in nature. The Company is also registered as "Point of Presence" (PoP) with respect to NPS distribution and servicing for public at large through physical as well as online platform.

### **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 and going concern 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 the Rules issued thereunder. Accounting policies applied have been consistent with the 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 relevant 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 from PoP business**

Income earned from PoP business includes account opening fees, contribution processing fees and persistency income.

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

- i) Account opening fees are due and recognized on generation of Permanent retirement account number (PRAN).
- ii) Contribution processing fees are recognized when contribution received is transferred to NPS Trust account.
- iii) Trail commission fees are recognized on receipt basis when the amount is received from central record keeping agencies.
- iv) Persistency income is recognized on subscriber accounts active for more than six months based on the data shared by central recordkeeping agencies on receipt basis.

**2.3.3 Income earned on investments**

Interest income on investments is recognized on accrual basis. Premium or discount on debt securities is amortized or accreted respectively over the holding/maturity period on basis of yield to maturity. Dividend income is recognized when the right to receive dividend is established.

Profit or loss on sale/redemption of debt securities is the difference between the sale consideration net of expenses and the weighted average amortized 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 realizable 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, subject to amortization of premium or accretion of discount over the remaining period of maturity/holding based on Yield to Maturity (effective interest rate method). Provision for diminution in value is made to recognize other than temporary decline in the value of investments. The provision shall be written back once the fair value of the investment reaches its original book value.

**2.5 Property, Plant and Equipment and Intangible assets**

**Property, plant and equipment**

Property, plant and equipment 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 such 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

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

date of sale, based on estimated useful life in compliance with the provisions of Schedule II to the Companies Act, 2013. Assets costing upto ₹ 5,000 are fully depreciated in the year of acquisition.

**Intangible assets**

Intangible assets comprising software are stated at cost less amortization. Significant expenditure on improvements to software are capitalized 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. Subsequent capital expenditures are amortized over the remaining useful life of original software. Intangible assets are amortized from date of 'put to use', Up to the date of sale, based on useful life in compliance with the provisions of Schedule II to the Companies Act, 2013.

**Capital work-in-progress**

Asset not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

**Intangible assets under development**

Intangible assets comprising software which are under development stage are carried at cost, comprising direct cost and related incidental expenses incurred up to the year end.

**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 Employee Benefits**

**2.7.1 Short term employee benefits**

Employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, bonuses, short term compensated absences and other non-monetary benefits are recognised in the period in which the employee renders the related service. All short term employee benefits are accounted on undiscounted basis.

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**2.7.2 Long term employee benefits – Post Employment**

The Company has both defined contribution and defined benefit plans.

**Defined contribution plan**

**Provident fund:** The Company has a defined contribution scheme for Provident fund. The Provident fund is managed and administered by Employee Provident Fund Organization ('EPFO'). The contribution is made to provident fund on a monthly basis, when due, and charged to the Profit and Loss Account. The Company does not have any further obligation beyond the contributions made to the fund.

**National Pension Scheme:** The Company has a defined contribution scheme for National Pension Scheme for employees who opt for it. The National Pension Scheme is managed and administered by pension fund management companies licensed by the Pension Funds Regulatory and Development Authority ('PFRDA'). The contributions made to the scheme is on a monthly basis, when due, and charged to the Profit and Loss Account. The Company does not have any further obligation beyond the contributions made to the fund.

**Defined benefit plans**

**Gratuity:** The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972 or the Company's gratuity plan, whichever is higher. The gratuity liability of the Company is actuarially determined by an independent actuary at each Balance Sheet date using projected unit credit method.

The Company recognises the net obligation of the Scheme in Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15 (revised 2005), 'Employee benefits'. The discount rate used for estimation of liability is based on Government securities yield. Gain or loss arising from change in actuarial assumptions/experience adjustments is recognised in the Revenue account and Profit or Loss account for the period in which they emerge. Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

**2.7.3 Other long term employee benefits**

Other long term employee benefits includes accumulated compensated absences that are entitled to be carried forward for future encashment or availment, at the option of the employee subject to the rules framed by the Company and includes long term retention incentive payable to employees on fulfilment of criteria prescribed by the Company. The Company's liability towards accumulated compensated absences entitlement outstanding at the close of the year and long term retention incentive are determined actuarially, by an independent actuary using projected unit credit method and are recognised as a liability at the discounted present value of the obligation as at the Balance Sheet date. The Company assumes net liability for the above in accordance with AS-15 (Revised).

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**2.8 Operating leases**

Leases where the lessor effectively retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating lease including escalations are recognised as an expense, on a straight line basis, over the lease term in Profit and Loss Account.

**2.9 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 recognized 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 realized; however, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence of realization 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 realized. 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.

**Indirect taxes**

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

Provision is made for unutilized GST credit where the utilization is uncertain. Provision is written back to the extent of actual utilization of GST credit balance.

**2.10 Provisions and contingencies**

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 relevant disclosure relating to contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

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 recognized prospectively.

**2.11 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.

**2.12 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.

**2.13 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 3 months or less.

**2.14 Segmental Reporting**

**Identification of Segments**

As per Accounting Standard (AS) 17 on "Segment Reporting", the company has two business segments - 'Pension fund management business' and 'Point of Presence business'.

Since both the businesses operate in India only, there are no geographical segments.

**Allocation/ Apportionment methodology**

The allocation and apportionment of revenue, expenses, assets and liabilities to specific segments is done in the following manner, which is applied on a consistent basis.

- Revenue, expenses, assets and liabilities that are directly identifiable to the segment are allocated on actual basis;
- Other revenue, expenses, assets and liabilities that are not directly identifiable to a segment are apportioned based on the basis of revenue generated;
- General administrative expenses, head-office expenses, and other expenses that arise at the enterprise level and relate to enterprise as a whole are kept unallocated.



**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**2.15 Foreign exchange transactions**

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Nonmonetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences arising on such conversions are recognised as income or as expenses in the period in which they arise in the Profit and Loss Account.

**3 Notes to accounts**

**3.1 Share capital**

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

Particulars	(₹ '000)	
	At March 31, 2023	At March 31, 2022
<b>Authorised:</b>		
75,000,000 (At March 31, 2022: 75,000,000) Equity shares of ₹ 10 each	750,000	750,000
<b>Issued, subscribed and fully paid up:</b>		
60,000,000 (At March 31, 2022: 60,000,000) Equity shares of ₹ 10 each (All the above equity shares of ₹ 10 each are held by the holding company, ICICI Prudential Life Insurance Company Limited and it's nominees)	600,000	600,000
<b>Total</b>	<b>600,000</b>	<b>600,000</b>

The company has only one class of share having a par value of ₹ 10 per share. The entire share capital is held by ICICI Prudential Life Insurance Company Limited along with its nominees, and the ultimate holding Company is ICICI Bank Limited.

Shareholder holding more than 5% shares of the company is ICICI Prudential Life Insurance Company Limited and its nominees; it holds 60,000,000 equity shares along with its nominees.

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**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, 2023		Year ended March 31, 2022	
	Number of shares	Amount in (₹ '000)	Number of shares	Amount in (₹ '000)
At the beginning of the period	60,000,000	600,000	39,000,000	390,000
Issued during the period	-	-	21,000,000	210,000
Outstanding at the end of the period	60,000,000	600,000	60,000,000	600,000

**Shareholding of promoters**

Shares held by promoters at March 31, 2023				% Change during the nine months
Sr. No	Promoter Name	No. of Shares	% of total shares	
1	ICICI Prudential Life Insurance Company Limited (includes shares held by six nominees of the Promoter company)	60,000,000	100%	-
<b>Total</b>		<b>60,000,000</b>	<b>100%</b>	<b>-</b>

Shares held by promoters at March 31, 2022				% Change during the year
Sr. No	Promoter Name	No. of Shares	% of total shares	
1	ICICI Prudential Life Insurance Company Limited (includes shares held by six nominees of the Promoter company)	60,000,000	100%	-
<b>Total</b>		<b>60,000,000</b>	<b>100%</b>	<b>-</b>

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**3.2 Reserves and surplus**

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

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
<b>Profit &amp; Loss account</b>		
Opening balance	(50,826)	(101,537)
Add: Profit/( Loss) for the period	28,285	50,711
<b>Closing balance</b>	<b>(22,541)</b>	<b>(50,826)</b>

**3.3 Direct Taxes**

The current tax provision is determined in accordance with the provisions of the Income tax Act, 1961. The provision for current tax for year ended March 31, 2023 is determined as per provisions of Section 115 BAA of Income Tax Act, 1961 is Nil (Previous period: Nil).

Deferred tax liability is recognized 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 to be recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future. The deferred tax position and the movement for the period ended March 31, 2023 is summarized below:

(₹ '000)

Particulars	At April 1, 2022	(Charge)/ Credit for the period	At March 31, 2023
<b>Deferred tax (liabilities)/asset</b>			
Difference in amortisation/depreciation on property, plant and equipment and intangible assets as per tax books and accounting books	(113)	(19)	(132)
Difference on account of carry forward losses and unabsorbed depreciation	8,638	(5,479)	3,159
<b>Total</b>	<b>8,525</b>	<b>(5,498)</b>	<b>3,027</b>

**3.4 Long term provisions**

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
- Provision for leave encashment	2,049	-
<b>Total</b>	<b>2,049</b>	<b>-</b>

**ICICI Prudential Pension Funds Management Company Limited**  
**Summary of significant accounting policies and other explanatory information on the**  
**Financial Statements for the period ended March 31, 2023**

**3.5 Other current liabilities**

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

(₹ '000)

<b>Particulars</b>	<b>At March 31, 2023</b>	<b>At March 31, 2022</b>
<b>Other payables</b>		
- Payable to NPS Trust (Contribution)	41,197	8,015
- Payable to holding company	10,354	17,437
- Tax deducted at source payable	2,832	3,239
- Payable to others for expenses	1,023	12
- Payable regarding employee benefits	662	-
- Provision for income tax	277	-
- GST Payable	5	-
<b>Total</b>	<b>56,530</b>	<b>28,703</b>

**3.6 Short term provisions**

The following table sets forth, for the dates indicated, the details of short term provisions

(₹ '000)

<b>Particulars</b>	<b>At March 31, 2023</b>	<b>At March 31, 2022</b>
Provision for other expenses	15,232	11,903
Provision for leave encashment	402	-
<b>Total</b>	<b>15,634</b>	<b>11,903</b>

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.7 Property, Plant and Equipment and Intangible assets

The following table sets forth, for the dates indicated, the details of property, plant, equipment and intangible assets.

(₹ '000)

Particulars	Gross block				Depreciation and amortisation				Net block	
	Balance at April 1, 2022	Additions	Deductions	Balance At March 31, 2023	Balance at April 1, 2022	For the period	On Sale/ Adjustment	Balance at March 31, 2023	Balance at March 31, 2023	Balance at March 31, 2022
<b>Property, Plant and Equipment</b>										
Furniture & Fixtures	-	315	-	315	-	7	-	7	308	-
Laptop	1,485	1,484	-	2,969	11	698	-	709	2,260	1,474
<b>Total- Property, Plant and Equipment</b>	<b>1,485</b>	<b>1,799</b>	<b>-</b>	<b>3,284</b>	<b>11</b>	<b>705</b>	<b>-</b>	<b>716</b>	<b>2,568</b>	<b>1,474</b>
<b>Intangible assets</b>										
Software <sup>*^</sup>	4,379	2,728	-	7,107	1,713	1,858	-	3,571	3,536	2,666
<b>Total - Intangible assets</b>	<b>4,379</b>	<b>2,728</b>	<b>-</b>	<b>7,107</b>	<b>1,713</b>	<b>1,858</b>	<b>-</b>	<b>3,571</b>	<b>3,536</b>	<b>2,666</b>
<b>Capital work in progress</b>	<b>826</b>	<b>-</b>	<b>826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>826</b>
<b>Intangible assets under Development<sup>^</sup></b>	<b>360</b>	<b>2,474</b>	<b>1,312</b>	<b>1,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,522</b>	<b>360</b>
<b>Total</b>	<b>7,050</b>	<b>7,001</b>	<b>2,138</b>	<b>11,913</b>	<b>1,724</b>	<b>2,563</b>	<b>-</b>	<b>4,287</b>	<b>7,626</b>	<b>5,326</b>
At March 31, 2022	2,242	4,808	-	7,050	690	1,034	-	1,724		

\* Includes website development cost

^All software are other than those generated internally

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### CWIP ageing schedule At March 31, 2023

(₹ '000)

Particulars	Amount in CWIP for a period of				Total
	Less than a year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

### CWIP ageing schedule at March 31, 2022

(₹ '000)

Particulars	Amount in CWIP for a period of				Total
	Less than a year	1-2 years	2-3 years	More than 3 years	
Projects in progress	826	-	-	-	826
Projects temporarily suspended	-	-	-	-	-

### Intangible assets under development ageing schedule At March 31, 2023

(₹ '000)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than a year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,522	-	-	-	1,522
Projects temporarily suspended	-	-	-	-	-

### Intangible assets under development ageing schedule at March 31, 2022

(₹ '000)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than a year	1-2 years	2-3 years	More than 3 years	
Projects in progress	360	-	-	-	360
Projects temporarily suspended	-	-	-	-	-

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.8 Non-current investments

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

Particulars	(₹ '000)	
	At March 31, 2023	At March 31, 2022
<b>Investments in government securities quoted instruments</b>		
- 7.57% Government security (Maturity: June 17, 2033) (At March 31, 2023: 1,000,000 units of face value ₹ 100 each) (At March 31, 2022: 1,000,000 units of face value ₹ 100 each)	109,598	110,258
- 6.99% Kerala SDL 2036 (Maturity: December 29, 2036) (At March 31, 2023: 1,000,000 units of face value ₹ 100 each) (At March 31, 2022: 1,000,000 units of face value ₹ 100 each)	100,957	101,005
- 6.64% GS 2035 (Maturity: June 16, 2035) (At March 31, 2023: 1,000,000 units of face value ₹ 100 each) (At March 31, 2022: 1,000,000 units of face value ₹ 100 each)	98,497	98,425
- 6.67% GS 2035 (Maturity: December 15, 2035) (At March 31, 2023: 500,000 units of face value ₹ 100 each) (At March 31, 2022: 500,000 units of face value ₹ 100 each)	48,409	48,337
<b>Investments in debentures/bonds quoted instruments</b>		
- 9.05% Reliance Industries Limited (Maturity: October 17, 2028) (At March 31, 2023: 50 units of face value ₹ 1,000,000 each) (At March 31, 2022: 50 units of face value ₹ 1,000,000 each)	50,594	50,685
- 9.39% LIC Housing Finance Limited (Maturity: August 23, 2024) (At March 31, 2023: 50 units of face value ₹ 1,000,000 each) (At March 31, 2022: 50 units of face value ₹ 1,000,000 each)	50,000	50,000

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	At March 31, 2023	At March 31, 2022
- 9.19% LIC Housing Finance Limited (Maturity: June 06, 2023) (At March 31, 2023: 50 units of face value ₹ 1,000,000 each) (At March 31, 2022: 50 units of face value ₹ 1,000,000 each)	-	49,992
<b>Total</b>	<b>458,054</b>	<b>508,702</b>
Aggregate amount of investments in government securities, debentures/ bonds at market value.	447,410	506,386

### 3.9 Other non-current assets

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

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
GST unutilised credit	15,951	26,113
Less: Provision for GST unutilised credit	(15,533)	(26,113)
Advance income tax	11,372	9,861
Bank deposit with residual maturity of more than 12 months	2,000	8,000
Accrued interest on bank deposit with residual maturity of more than 12 months	630	1,064
<b>Total</b>	<b>14,420</b>	<b>18,925</b>

### 3.10 Current investments

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

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
<b>Investments in debentures/bonds quoted instruments - quoted (at lower of cost or market value):</b>		
- 9.19% LIC Housing Finance Limited (Maturity: June 06, 2023) (At March 31, 2023: 50 units of face value ₹ 1,000,000 each) (At March 31, 2022: 50 units of face value ₹ 1,000,000 each)	50,000	-
<b>Investments in mutual funds - quoted (at lower of cost or market value):</b>		
- IDFC Cash Fund – Growth	43,500	17,353



## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	At March 31, 2023	At March 31, 2022
(At March 31, 2023: 16,009 units and 186 fractions) At March 31, 2022: 6750 units and 627 fractions)		
<b>Total</b>	<b>93,500</b>	<b>17,353</b>
Aggregate amount of mutual fund investments at market value	93,669	17,355

### 3.11 Trade receivables

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

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
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	11,562	8,888
o POP income fees receivable	1,348	342
Sub-total	<b>12,910</b>	<b>9,230</b>
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	-	-
Sub-total	-	-
<b>Total</b>	<b>12,910</b>	<b>9,230</b>

### Trade receivables ageing schedule at March 31, 2023

(₹ '000)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	12,910	-	-	-	-	12,910
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

### Trade receivables ageing schedule at March 31, 2022

(₹ '000)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	9,230	-	-	-	-	9,230
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

### 3.12 Cash and bank balances

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

(₹ '000)

Particulars	At March 31, 2023	At March 31, 2022
<b>Cash and cash equivalents</b>		
Balances with banks		
- Balance in current account	43,653	9,861
<b>Other bank balances</b>		
- Term deposit with original maturity of more than 3 months	2,000	8,000
<b>Sub-total</b>	<b>45,653</b>	<b>17,861</b>
<b>Amount disclosed under other non-current assets*</b>	(2,000)	(8,000)
<b>Total</b>	<b>43,653</b>	<b>9,861</b>

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

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.13 Short-term loans and advances

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

Particulars	(₹ '000)	
	At March 31, 2023	At March 31, 2022
Others (Unsecured, considered good) Prepaid expenses	3,318	-
<b>Total</b>	<b>3,318</b>	<b>-</b>

### 3.14 Other current assets

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

Particulars	(₹ '000)	
	At March 31, 2023	At March 31, 2022
Interest accrued on fixed deposit	630	1,064
Less: Amount disclosed under other non-current assets	(630)	(1,064)
<b>Net interest accrued on fixed deposit</b>	<b>-</b>	<b>-</b>
Interest accrued on debenture/bonds	6,713	6,713
Interest accrued on government securities	5,145	5,145
Advances	3,306	-
<b>Total</b>	<b>15,164</b>	<b>11,858</b>

### 3.15 Investment management fees

The Investment Management Fees is charged on closing balance of funds under management (AUM) on daily basis for all the schemes. The investment management fee is charged as per below approved slab structure on the basis of total assets under management.

Slabs of AUM	Maximum Investment Management Fee
Upto 100 billion	0.09%
100 – 500 billion	0.06%
500 – 1500 billion	0.05%
Above 1500 billion	0.03%

The AUM at March 31, 2023 was ₹ 164.7 billion.

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.16 Other income

The following table sets forth, for the periods indicated, the details of other income.  
(₹ '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on government securities	24,535	14,925
Interest on non-convertible debentures	13,815	13,815
Net gain/(loss) on sale of investments	1,077	946
Interest on fixed deposits	127	614
Interest on income tax refund*	367	69
Gain / (Loss) on foreign exchange transactions**	(102)	-
Accretion of discount/(amortisation of premium) (Net)	(648)	(685)
<b>Total</b>	<b>39,171</b>	<b>29,684</b>

\*Interest on Income Tax Refund received for A.Y. 2017-18, A.Y. 2018-19, A.Y. 2019-20 and A.Y. 2022-23.

\*\*Transactions in foreign currencies are recorded at exchange rate prevailing on the date of transaction. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement is recognised as income or expense, as the case may be. The net foreign exchange fluctuation loss debited to the Profit and Loss account for the year ended March 31, 2023 is ₹ 102 thousand (Year ended March 31, 2022:Nil).

### 3.17 Employee benefit expenses and cost sharing arrangement

#### (a) Employee benefit expenses

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses*	60,193	52,708
Staff welfare expenses	5,791	1,189
Contribution to provident and other funds	3,537	-
<b>Total</b>	<b>69,521</b>	<b>53,897</b>

\*Includes all short term and long term benefits

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### (b) Defined benefits plan

#### (i) Gratuity

##### General description of defined benefit plan

The Company is in the process of setting up its own gratuity trust. This is a funded defined benefit plan for qualifying employees under which the Company makes a contribution to the ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Assurance Scheme through ICICI Prudential Life Insurance Company Limited. The plan provides for a lump sum payment as determined in the manner specified under The Payment of Gratuity Act, 1972 or the Company's gratuity scheme, whichever is higher, to the vested employees. The benefit vests after a minimum prescribed period of continuous service at retirement or on death while in employment or on termination of employment. Defined benefit obligations are actuarially determined at each quarterly Balance Sheet date using the projected unit credit method as required under Accounting Standard (AS) 15 (Revised), "Employee benefits". Actuarial gains or losses are recognised in the Revenue Account.

	(₹ '000)
Particulars	Year ended March 31, 2023
<b>Reconciliation of benefit obligations and planned assets for the period:</b>	
Present value of the defined benefit obligations at period end (A)	15,370
Fair value of plan assets at period end (B)	15,653
<b>Net asset/(liability) recognized in Balance Sheet at end of the year (B-A)</b>	<b>283</b>
<b>Change in defined benefit obligation:</b>	
Addition on resource acquisition***	13,560
Current service cost	610
Interest cost	816
Actuarial (gain)/loss	(1,266)
Past service costs	-
Liability assumed on acquisition/(settled on divestiture)	4,790
Benefits paid	(3,139)
<b>Present value of the defined benefit obligations at period end</b>	<b>15,370</b>
<b>Change in Plan Asset:</b>	
Addition on resource acquisition***	13,560
Expected return on plan assets#	909
Actuarial gain/(loss)	(466)
Contributions	-

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	Year ended March 31, 2023
Assets acquired on acquisition/(settled on divestiture)	4,790
Benefits paid	(3,139)
<b>Fair value of plan assets at period end</b>	<b>15,653</b>
<b>Expense recognized for the year:</b>	
Current service cost	610
Interest cost	816
Expected return on plan assets <sup>#</sup>	(909)
Actuarial (gain)/loss	(800)
Past service cost	-
Losses /(gains) on curtailments & settlements	-
Losses /(gains) on acquisition/divestiture	-
<b>Total net cost recognised in Profit and Loss account</b>	<b>(283)</b>
Actual return on plan assets	443

\* The discount rate is based on the prevailing market yields of Indian government securities as at 14 March 2023 for the estimated term of the obligations. The government security yields for the relevant tenure of the obligations have been derived from the rates published by Financial Benchmarks India Pvt. Ltd. (FBIL).

\*\*Salary escalation rate considered in valuation takes into account impact of inflation, seniority, promotion and other factors such as supply and demand in employment market.

\*\*\*As employees were transferred from holding company to subsidiary books from April 01, 2023

# Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations

	(₹ '000)
Particulars	Year ended March 31, 2023
<b>Investment details of plan assets:</b>	
Plan assets invested in insurer managed funds	100.00%
Debentures & Bonds	-
Government securities	-
Money market instruments	-
Equity shares	-
Others	-
<b>Total</b>	<b>100.00%</b>
<b>Assumptions:</b>	
Discount rate*	7.40%
Salary escalation rate**	7.50%
Estimated rate of return on plan assets #	7.00%
Mortality table	Indian Assured Lives Mortality

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	Year ended March 31, 2023
	(2012-14) Ult table
Attrition rate	Rates of leaving service at specimen ages are as shown below: For Level 1 – 3: 55% per annum For Level 4 – 9: 17% per annum For Level 10 & Above: 9% per annum
Expected future contribution from employer for next year	1,000

### Experience adjustments on gratuity provisioning

(₹ '000)

Particulars	March 31, 2023
Defined benefit obligation	15,370
Plan assets	15,653
Surplus/(deficit)	(283)
Experience adjustments	
- on plan liabilities	159
- on plan assets	(466)

### (ii) Other long term benefits

#### Compensated absence:

The amount recognised as an expense during the year ended March 31, 2023 is 2,451 thousand (year ended March 31, 2022: Nil).

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Particulars	At March 31, 2023
Discount rate*	7.40%
Salary escalation rate**	7.50%
Mortality table	Indian Assured Lives Mortality

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	At March 31, 2023
	(2012-14) Ult table
Attrition rate	Rates of leaving service at specimen ages are as shown below: For Level 4 – 9: 17% per annum For Level 10 & Above: 9% per annum

Leave accumulation policy of the Company is given below:

Criteria	Leave 1 to 6	Leave 7 & Above
Employment upto 5 years	NA	60 days
Employment more than 5 years	60 days	90 days

While computing liability, it has been assumed that 2% of leave balance as at the valuation date and each subsequent year following the valuation date is availed by the employee. The balance leave is assumed to be available for encashment on separation from the Company.

### 3.18 Other expenses and cost sharing arrangement

The following table sets forth, for the periods indicated, the details of other expenses.  
(₹ '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Information technology expenses	24,994	8,281
Pension Fund Regulatory Development Authority license fees	19,220	13,544
Legal and professional fees	6,026	2,858
Rent and utilities charges	5,986	3,610
Travelling and conveyance expenses	3,443	682
Commission to referral partners	2,662	167
Advertisement and promotional expenses	2,771	2,031
Business meetings & seminars	2,083	-
Stamp duty	455	-
Brokerage expenses	379	275
Communication expenses	323	277
Payments to the auditor as:		



## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
- auditor	205	175
- for reimbursement of expenses	4	4
Miscellaneous expenses	151	219
Profession tax	15	3
ROC fees	-	1,437
Provision for unutilised GST credit	(10,582)	(5,850)
<b>Total</b>	<b>58,135</b>	<b>27,713</b>

### Cost sharing arrangement

Given the size of its operations, the Company has entered into an arrangement with the Sponsor for sharing resources 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 Memorandum of Understanding and 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 3.22.

### 3.19 Operating lease commitments

The Company takes motor vehicles on operating lease. Certain lease arrangements provide for cancellation by either party and also contain a clause for renewal of the lease agreement. Lease payments on cancellable and non-cancellable operating lease arrangement charged to the Profit and Loss account over the lease term on a straight line basis. The total operating lease rental charged for the year ended March 31, 2023 is ₹ 220 thousand (year ended March 31, 2022: Nil).

The following table sets forth, for the periods indicated, the details of future minimum lease payments on operating leases.

(₹ '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Not later than one year	293	-
Later than one year and not later than five years	659	-
Later than five years	-	-
<b>Total</b>	<b>952</b>	<b>-</b>

The lease rentals pertaining to non-cancellable leases charged to the Profit and Loss account for the year ended March 31, 2023 is Nil (year ended March 31, 2022: Nil). The future minimum lease payments in respect of these non-cancellable lease at Balance Sheet date is Nil.

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.20 Earnings per equity share

(₹ '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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 ₹)	28,285	50,711
Weighted average number of equity shares for earnings per equity share		
(a) For basic earnings per equity share	60,000,000	49,701,370
(b) For diluted earnings per equity share	60,000,000	49,701,370
Earnings per equity share		
Basic and Diluted (in ₹)	0.47	1.02

### 3.21 Segment reporting

Segment wise information of various items as required under AS 17 "Segmental reporting" are given below:

(₹ '000)

Particulars	Year ended March 31, 2023			
	Pension Fund Management	Point of Presence	Unallocated corporate overheads	Total
Segment revenue	110,808	14,378	39,272	164,459
Segment result	57,139	(20,548)	(8,306)	28,285
Segment assets	12,442	49,467	589,763	651,672
Segment liabilities	4,957	48,403	20,852	74,213
Depreciation/Amortisation	228	1,359	976	2,563
Significant non-cash expenses	-	-	-	-

(₹ '000)

Particulars	Year ended March 31, 2022			
	Pension Fund Management	Point of Presence	Unallocated corporate overheads	Total
Segment revenue	84,895	10,244	29,684	124,823
Segment result	54,337	(16,078)	12,452	50,711
Segment assets	18,805	11,978	558,997	589,780
Segment liabilities	7,306	17,420	15,880	40,606
Depreciation/Amortisation	155	869	11	1,034
Significant non-cash expenses	-	-	-	-

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.22 Details of related parties and transactions with related parties

a) Related parties and nature of relationship:

<b>Nature of relationship</b>	<b>Name of the related party</b>	
<b>Ultimate holding company</b>	ICICI Bank Limited	
<b>Holding company (Sponsor)</b>	ICICI Prudential Life Insurance Company Limited	
<b>Entity over which control is exercised</b>	ICICI Prudential Pension Funds Management Company Limited Gratuity Scheme	
<b>Fellow subsidiaries of holding company and entities jointly controlled by ultimate holding company</b>	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 Prudential Asset Management Company Limited ICICI Prudential Trust Limited ICICI Foundation for Inclusive Growth Comm Trade Services Limited	
<b>Consolidated under AS-21 by ultimate holding company</b>	ICICI Strategic Investments Fund	
<b>Key management personnel</b>	Sumit Mohindra, Chief Executive Officer	
<b>Relatives of key management personnel</b>	Spouse	Lakshmi Ghosh
	Parent	Manju Lata Mohindra
	Son	Aiyush Chakraborty
	Daughter	Saanika Mohindra

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

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

(₹ '000)

Relation and name of related party	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
<b>Ultimate Holding Company</b> ICICI Bank	Bank Charges	12	-
<b>Holding Company</b> ICICI Prudential Life Insurance Company Limited	Contribution towards NPS	29,738	22,270
	Premium expense	194	-
	Information technology expense	14,801	6,908
	Rent, utilities and taxes	5,952	3,561
	Travelling & conveyance	3,269	613
	Website capital expenditure	-	916
	Employees' remuneration and welfare benefits*	1,192	50,917
	Communication expense	287	275
	Legal and professional charges	216	124
	Miscellaneous expense	59	2
<b>KMP</b> Sumit Mohindra	Remuneration*	16,771	-
	Contribution towards NPS*	246	-
	POP income*	0**	-

\*Till March 31, 2022, all employees were on deputation from Holding company, thus transfer includes remuneration of the key management personnel reimbursed to the sponsor and staff welfare expenses

\*\* ₹656/-for year ended March 31, 2023

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

c) Balances with respect to related parties are as follows:

(₹ '000)

Relation and name of related party	Nature of transaction	Amount payable/(recoverable)	
		At March 31, 2023	At March 31, 2022
<b>Holding Company</b> ICICI Bank	Cash and Bank Balance	(411)	(1,039)
<b>Holding Company</b> ICICI Prudential Life Insurance Company Limited	Premium expense	(118)	-
	Advance	(151)	-
	<b>Reimbursement of expenses</b>		
	Information technology expense	6,635	2,931
	Rent, utilities and taxes	1,210	1,107
	Travelling & conveyance	1,403	394
	Employees' remuneration and welfare benefits*	941	12,888
	Communication expense	78	82
	Legal and professional charges	69	34
	Miscellaneous expense	19	-

\*Till March 31, 2022, all employees were on deputation from Holding company, thus balance includes transfer of accumulated leave compensation.

### 3.23 Contingent liabilities

Amount of contingent liabilities at March 31, 2023 is Nil (March 31, 2022: Nil).

### 3.24 Commitments

Estimated amount of contracts remaining to be executed on plant, property, equipment and intangible assets to the extent not provided for (net of advance) is ₹ 2,113 thousand (March 31, 2022: ₹ 916 thousand).

There are no loan commitments made by the Company (March 31, 2022: Nil).

### 3.25 Encumbrances of assets

The assets of the Company are free from all encumbrances at March 31, 2023, except for fixed deposit of ₹ 2,000 thousands (at March 31, 2022: ₹ 2,000 thousands). Details are as follows:

(₹ '000)

Details of Encumbrances	Deposits with	At March 31, 2023	At March 31, 2022
Security deposit as per requirements of PFRDA (PoP) Regulations, 2018 after obtaining PoP registration certificate	Axis Bank	2,000	2,000
<b>Total</b>		<b>2,000</b>	<b>2,000</b>

## ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

### 3.26 Key ratios

Sr. No.	Particulars	Formulae	At March 31, 2023	At March 31, 2022
1.	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.3	1.2
2.	Debt-equity Ratio	Not applicable as the Company has no outstanding debt as March 31, 2023/March 31, 2022		
3.	Debt service Coverage Ratio	Not applicable as the Company has no outstanding debt as March 31, 2023/March 31, 2022		
4.	Return on equity ratio	$\frac{\text{Profit/(Loss) for the period} * 100}{\text{Average Shareholders' funds}}$	5.0	12.1
5.	Inventory turnover ratio	Not applicable as the Company has no inventory		
6.	Trade receivables ratio	$\frac{\text{Revenue from Operations}}{\text{Average Trade receivables}}$	11.3	17.0
7.	Trade payable turnover ratio	Not applicable as the Company has no trade payables		
8.	Net capital turnover ratio	$\frac{\text{Revenue from Operations}}{\text{Average Shareholders' funds}}$	0.2	0.2
9.	Net profit ratio	$\frac{\text{Profit/(Loss) for the period}}{\text{Average Shareholders' funds}}$	0.2	0.5
10.	Return on capital employed	$\frac{\text{Operating Profit/(Loss) for the period} * 100}{\text{Average Shareholders' funds}}$	6.1	10.1
11.	Return on investment	$\frac{\text{Interest income+ Realised Gain/Loss on sale of investments} * 100}{\text{Net carrying value of investments}}$	7.0	5.5

The deviation in ratios is majorly due to increase in revenue from:

- The increase in current ratio is on account of increased mutual fund investments and reclassification of non-convertible debenture from long term investment to short term investment.
- The return on equity has decreased due to reversal of deferred tax assets created last year as well as increase in expenses and subsequent reduction in profit.
- The trade receivables have decreased on account of increase in trade receivables from corporates.
- The net profit and return on capital employed have decreased on account of increase in expenses and subsequent reduction in profit.
- The return on capital employed has decreased on account of increase in operating expenses; majorly information technology related expenses.
- The return on investment has increased due to increase in interest income from amount received from capital inflow in Q2 FY 2022.

## **ICICI Prudential Pension Funds Management Company Limited**

### **Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023**

#### **3.27 The Micro, Small and Medium Enterprises Development Act, 2006**

Based on current information available with the Company, there are no outstanding dues exceeding 45 days from date of invoice to suppliers who are registered under the Micro, Small and Medium Enterprise Development Act, 2006.

#### **3.28 Other disclosures as required by the amendments made in Schedule III of the Companies Act, 2013**

- The Company does not have any short term/long term borrowings from Banks/FI or any other lender.
- The Company does not have any trade payables as at 31st March 2023/2022.
- The Company did not own any immovable property during the year.
- No loans/advances were given to promoters, directors, KMPs & other related parties that were payable on demand or without specifying any terms & conditions.
- The Company did not hold any benami property during the year.
- The Company has not been declared as a wilful defaulter by any bank or financial Institution or other lender.
- The Company did not have any transactions with struck off companies during the year under Section 248 or 560 of the Companies Act, 2013.
- Neither any charges were created on the assets of the company during the year with the Registrar of companies nor was satisfaction of any charge pending beyond the stipulated period.
- The provisions of Section 135 of the Companies Act, 2013 relating to CSR obligations were not applicable to the Company during the year.
- The Company did not deal in any manner whatsoever with crypto currency/virtual currency during the year.
- The Company has not advanced/loaned/invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received funds from any other person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

# ICICI Prudential Pension Funds Management Company Limited

Summary of significant accounting policies and other explanatory information on the Financial Statements for the period ended March 31, 2023

## 3.29 Previous period comparatives

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

**For Chaturvedi & Co.**  
Chartered Accountants  
Firm Registration No. 302137E

**For and on behalf of the Board of Directors**

**S.N. Chaturvedi**  
Partner  
Membership No. 040479

**N. S. Kannan**  
Chairman  
DIN: 00066009

**Amit Palta**  
Director  
DIN: 08761368

**Sumit Mohindra**  
Chief Executive Officer

**Sachin More**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** April 19, 2023

**Siddharth Sinkar**  
Company Secretary  
ACS 44589