

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present their Second Report with the audited accounts of your Company for the year ended March 31, 2016.

1. FINANCIAL HIGHLIGHTS

The Company is yet to generate income from operations pending the issuance of Certificate of Commence of Business from The Pension Fund Regulatory and Development Authority (PFRDA). The income generated by the Company during the year under review is from Investments made. The financial highlights for the period under review are as under:

Particulars	For the financial year ended March 31, 2016 (Rs.)
Total Income	8,476,264
Total Expenses	4,874,654
Profit / (Loss) before tax	3,601,610
Profit/(Loss) after tax carried to Balance Sheet	2,301,610

2. OPERATION

The Pension Fund Regulatory and Development Authority (PFRDA) vide a letter dated February 23, 2016 has granted a Certificate of Registration (bearing registration No.: PFRDA/Birla PF/2016), to act as pension fund under National Pension System (NPS). The Company is also required to obtain the certificate of commencement of business from PFRDA. The same is awaited.

Accordingly, during the period under review, your Company has not commenced business operations.

3. DIVIDEND

Your Directors do not recommend any dividend for the F.Y. 15 -16.

4. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 350,000,000 . During the year, your Company has made Rights issue of 2,6,950,000 Equity Shares of Rs.10 each aggregating to Rs.269,500,000

Birla Sun Life Pension Management Limited

CIN: U66000MH2015PLC260801

Registered Office : One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, S. B. Marg, Elphinstone Road, Mumbai – 400 013. | Phone No.: + 022 6723 9100 | Fax No.: + 022 6723 9153



Consequently, the Issued, Subscribed and Paid up share Capital of the Company was increased to Rs. 270,000,000 as on March 31, 2016.

5. RESERVES

Your directors do not propose any amount to be carried to Reserves.

6. SUBSIDIARIES

Your Company does not have any subsidiary company, joint venture or associate.

7. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

8. ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars relating to Energy, Technology Absorption as required under the Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable to your Company for the year ended March 31, 2016.

There were no foreign exchange earnings and outgo during the period under review.

9. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are not applicable to the Company for the year under review.

10. DIRECTORS

As on March 31, 2016, your Board of Directors comprises of six Directors including one Managing Director & CEO and three Independent Directors.

Mr. Sandeep Asthana, was appointed as the Managing Director and CEO of the Company with effect from August 6, 2015 for a period of one year.

Mr. Harish Engineer (DIN 01843009), Mr. Subhash Bhargava (DIN 00020021), Mr. Vijay Agarwal (DIN 00058548) were appointed as an Additional (Independent) Directors on the Board of the Company for a period of 5 years with effect from August 14, 2015.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Engineer, Mr. Bhargava and Mr. Agarwal holds office only up to the date of the forthcoming Annual General Meeting (AGM) of the Company and in accordance with the requirements of Section 150 and 152 of the Companies Act, 2013, their continuation as an Independent Director will required to be approved by the members of the Company in the ensuing AGM for a period of 5 years with effect from August 14, 2015.



In accordance with the provisions of the Companies Act, 2013, Mr. Ajay Srinivasan, Director, retire by rotation at the ensuing AGM of the Company, and being eligible, offer himself for re-appointment.

The Company has received requisite disclosures and undertakings from all the Directors in compliance with the provisions of the Companies Act, 2013. The Independent Directors have given the declaration and confirmed that they met the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013.

11. KEY MANAGERIAL PERSONNEL

During the year under review, the Company had the following Key Managerial Personnel (KMP):

- Mr. Sandeep Asthana (Managing Director & Chief Executive Officer and Chief Investment Officer)
- Ms. Sandhya Upadhyay (Chief Financial Officer)
- Ms. Sweta Shah (Company Secretary)

12. NUMBER OF BOARD MEETINGS

During the year under review, six Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

During F.Y. 15 - 16 the Board of Directors met six times, as follows:

- April 22, 2015
- July 27, 2015
- August 06, 2015
- August 14, 2015
- October 23, 2015
- January 27, 2016

Sr. No.	Name of the Directors	Number of Meetings	Attendance in the last AGM dated June 16, 2015
		Held: 6 Attended	Held : 1 Attended
1	Mr. Sandeep Asthana	6	Yes
2	Mr. Ajay Srinivasan	6	Yes
3	Mr. Pankaj Razdan	6	Yes
4	Mr. Harish Engineer*	1	NA
5	Mr. S.C. Bhargava*	2	NA
6	Mr. Vijay Agarwal*	2	NA

* Appointed w.e.f. August 14, 2015

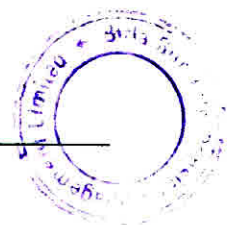
13. AUDIT COMMITTEE

The Board has duly constituted an Audit Committee w.e.f. October 23, 2015.

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The Company has a qualified and independent Audit Committee, and its composition is in line with the applicable provisions of Section 177 of the Companies Act, 2013. During F.Y. 15 -16, the Audit Committee members met once i.e. on January 27, 2016. The composition of the Audit Committee and the attendance of Members at the meeting during F.Y. 15 -16 were as under:

Sr. No.	Name of the Committee Members	Designation / Category	No. of Meetings Attended
1	Mr. S.C. Bhargava	Independent Director (Chairman)	1
2	Mr. Harish Engineer	Independent Director	0
3	Mr. Ajay Srinivasan	Non- Executive Director	1

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act 2013, your Directors, to the best of their knowledge and belief confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Sharp & Tannan, Chartered Accountants, were appointed as the statutory auditors of the Company from the conclusion of the First Annual General Meeting (AGM) of the Company till the conclusion of the Sixth AGM of the Company, subject to ratification of their appointment at every AGM. Accordingly, the Board of Directors recommends to the shareholders, the ratification of M/s. Sharp & Tannan, Chartered Accountants, as the Statutory Auditors of the Company.

The observations, if any, made by the Statutory Auditors of the Company in their report read with relevant notes to the Accounts are self-explanatory and, therefore do not call for any further comments.

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16. SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, Secretarial Audit is not applicable to your Company.

17. RELATED PARTY TRANSACTIONS

The Board has formulated and adopted a Related Party Transactions Policy (Policy) for the purpose of identification, monitoring and reporting of such transactions. All Related Party Transactions (RPT) entered into by your Company during the F.Y. 15 -16 were on arm's length basis and in the ordinary course of business under the Related Party Transaction Policy framework. The particulars of such transactions with the related parties are reported by your Company in the prescribed form AOC 2 and annexed as Annexure 1. The details of all related party transactions also form part of the Annual Accounts.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, no Loans, Guarantees and Investments were made by the Company pursuant to Section 186 of the Companies Act, 2013.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

20. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2016 and the date of the Directors' report.

21. CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to the constitution of the Corporate Social Responsibility (CSR) are not applicable to your Company.

22. COMMITTEE OF BOARD

Pursuant to provisions specified in the Companies Act, 2013 and Pension Fund Regulatory and Development Authority (Pension Fund) Regulation, 2015, your Company has constituted following Committees.

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Risk Management Committee
- iv) Investment Committee

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During the year under review, there was no meeting conducted for Nomination and Remuneration Committee, Risk Management Committee and Investment Committee. Further, the Executive Remuneration Philosophy/Policy of the Company is annexed herewith as Annexure 2.

23. BOARD EVALUATION

Pursuant to the requirement of the Companies Act, 2013, the annual performance evaluation of the Board, the Directors (Independent and others) individually, as well as applicable Committees of the Board were carried out for F.Y. 15 -16.

24. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements.

25. RISK MANAGEMENT POLICY

In terms of the requirement of the Act, your Company shall develop and implement the Risk Management Policy after the commencement of the business operations.

26. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure 3.

27. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as these items were not applicable during the year under review:

1. Statement containing salient features of financial statements of subsidiaries
2. Establishment of Vigil Mechanism


Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

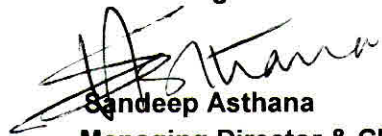
28. Acknowledgements

Your Directors thank Pension Fund and Regulatory Development Authority of India (PFRDA), National Pension Trust, other regulatory/government authorities, Bankers, Shareholders and all others for their support during the year and look forward to their continued support in the years ahead.



By order of the Board of Directors
for Birla Sun Life Pension Management Limited


Pankaj Razdan
Director
(DIN – 00061240)


Sandeep Asthana
Managing Director & CEO
(DIN – 00401858)

Mumbai, April 27, 2016

Birla Sun Life Pension Management Limited

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FORM NO. AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. - NIL

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/arrangements/transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Birla Sun Life Insurance Company Limited (BSLI) – Holding Company
2.	Nature of contracts/arrangements/transaction	Reimbursement of expenditures incurred for management services
3.	Duration of the contracts/arrangements/transaction	3 months
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Entire expenses incurred by the Holding Company will be reimbursed by BSLPML for providing management services
5.	Date of approval by the Board	--
6.	Amount paid as advances, if any	Nil




Pankaj Razdan
Director
(DIN – 00061240)

By order of the Board of Directors
for Birla Sun Life Pension Management Limited


Sandeep Asthana
Managing Director and CEO
(DIN – 00401858)

Birla Sun Life Pension Management Limited

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Annexure 2

Birla Sun Life Pension Management Limited, ("the Company"), an Aditya Birla Group Company adopts/shall adopt this Executive Remuneration Philosophy/Policy as applicable across Group Companies. This philosophy/ policy is detailed below.

Aditya Birla Group: Executive Remuneration Philosophy/Policy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

Our business and organizational model

Our Group is a conglomerate and organized in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

I. Objectives of the Executive Remuneration Program

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis
2. Emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

II. Covered Executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company:
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management:

III. Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to





appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

IV. *Executive Pay Positioning*

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognize the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

V. *Executive Pay-Mix*

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits

Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

Long-Term Incentive:

Our Long-term incentive plans incentivize stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicles, to motivate and retain our executives.

VI. *Performance Goal Setting*

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.





Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

VII. *Executive Benefits and Perquisites*

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

Other Remuneration Elements

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

Risk and Compliance

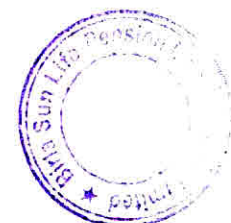
We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

Claw back Clause:

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

Implementation

The Group and Business Centre of Expertise teams will assist the Nomination & Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

1 REGISTRATION & OTHER DETAILS:

CIN	U66000MH2015PLC260801
Registration Date	January 9,2015
Name of the Company	Birla Sun Life Pension Management Limited
Category/Sub-category of the Company	Public limited with share capital
Address of the Registered office & contact details	One Indiabulls Centre, Tower-1, 16th floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013 Telephone No. 022 67239100
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

2 PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
Management of Pension Funds	66302	The Company is yet to commence the business operations.

3 PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
Birla Sun Life Insurance Company Limited One Indiabulls Centre, Tower-1, 16th floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013	U99999MH2000PLC128110	Holding	100%	2(46)

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4 SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. from April 1,2016)				No. of Shares held at the end of the year March 31, 2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt. or State Govt.									
c) Bodies Corporates*		50000	50000	100.00%		27000000	27000000	100.00%	
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)		50000	50000	100.00%		27000000	27000000	100.00%	
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)		0	0			0	0		NIL
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)		50000	50000	100%		27000000	27000000	100.00%	
B. PUBLIC SHAREHOLDING	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(2) Non institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)= (B)(1)+(B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		50000	50000	100%		27000000	27000000	100%	

(*60 Shares held by Individuals as nominees of Birla Sun Life Insurance Company Limited)



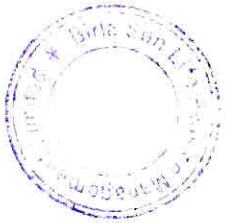
(ii) Share Holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (April 1, 2015)			Shareholding at the end of the year (March 31, 2016)			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Birla Sun Life Insurance Company Limited*	50000	100%	Nil	27000000	100%	Nil	Nil
	Total	50000	100%	Nil	27000000	100%	Nil	Nil

(*60 Shares held by Individuals as nominees of Birla Sun Life Insurance Company Limited)

(iii) Change in Promoters' Shareholding (Specify if There is No Change)

Shareholders Name	Shareholding at the beginning of the year (April 1, 2015)		Cumulative Share holding during the year	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
Birla Sun Life Insurance Company Limited				
At the beginning of the year	50000	100.00%		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (by way of Rights Issue of Shares on August 6, 2015).	26950000	100.00%	27000000	100.00%
At the end of the year	27000000	100.00%	27000000	100.00%



(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
Total	0	-	0	-

(v) **Shareholding of Directors & Key Managerial Personnel**

Sr. No.	Name of Director and KMP	Shareholding at the beginning of the year (April 1, 2015)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Ajay Srinivasan jointly held with Birla Sun Life Insurance Company Limited*				
	At the beginning of the year	10	0.00%	10	0.00%
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	10	0.00%	10	0.00%
2	Mr. Pankaj Razdan jointly held with Birla Sun Life Insurance Company Limited*				
	At the beginning of the year	10	0.00%	10	0.00%
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	10	0.00%	10	0.00%

(*Shares held as nominee of Birla Sun Life Insurance Company Limited)

5 **INDEBTEDNESS**

NIL



6 REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total
			Amount
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total
		Mr. Harish Engineer	Mr.S.C. Bhargava	Mr. Vijay Agarwal	Amount (INR)
3	Independent Directors				
1	Fee for attending Board and Committee meetings	50000	125000	100000	275000
2	Commission	-	-	-	-
3	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
4	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	50000	125000	100000	275000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-



C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	-	-	-

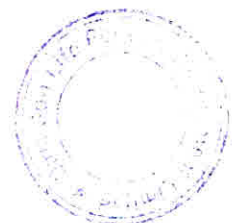
7 PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences under the Companies Act, 2013.

for Birla Sun Life Pension Management Limited


Pankaj Razdan
 Director
 (DIN - 00061240)


Sandeep Asthana
 Managing Director & CEO
 (DIN - 00401858)





INDEPENDENT AUDITOR'S REPORT

To the members of Birla Sunlife Pension Management Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Birla Sunlife Pension Management Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the



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Farook M. Kobla
Edwin Augustine

Shreedhar T. Kunte
Raghunath P. Acharya

Milind P. Phadke
Firdosh D. Buchia

Ramnath D. Kare
Thirharaj A. Khot

Ashwin B. Chopra
Pavan K. Aggarwal

Also at Pune. Associate Offices : Bangalore, Chennai, Goa & New Delhi

financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we given in Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) Considering the reporting requirements specified by the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI') and the nature and volume of transactions of the Company, which is in the startup phase, 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 in respect of such transactions incurred during the startup phase were operating effectively as at 31st March, 2016; and




- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 12 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sharp & Tannan
Chartered Accountants
Firm's Registration No. 109982W



Place: Mumbai
Date: 28 APR 2016


Edwin P. Augustine
Partner
(Membership No. 043385)

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) Since the Company does not have any fixed assets as at the Balance Sheet date, Paragraph 3(i) of the Order is not applicable to the Company.
- (ii) Since the Company is engaged in service activity, it does not hold any inventory and accordingly Paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, there are no companies, firms, limited liability partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act") and accordingly Paragraph 3(iii) of the Order concerning grant of loans is not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not advanced any loan, made any investment, given any guarantee or provided any security to the parties covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence in our opinion the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder are not applicable.
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended) for the services rendered by the the Company. Accordingly, Paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company has since paid the installment of advance tax for the last quarter of the financial year. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax as at 31st March, 2016 which have not been deposited on account of a dispute.



- (viii) According to the information and explanations given to us, and the records of the Company examined by us, the Company did not have any loans or borrowing from a financial institution, bank or government. The Company has not issued any debentures. Accordingly Paragraph 3(viii) of the Order is not applicable to the Company
- (ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). The Company has not taken any term loans during the year. Accordingly, Paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any instances of fraud on the Company by its officers or employees on deputation noticed or reported during the year, nor we have been informed of any such case by the management.
- (xi) According to the information and explanations given to us, the Company has not paid / provided for managerial remuneration during the financial year. Accordingly, Paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, all transactions with the related parties are in compliance with Section 177 and Section 188 of the Act and the relevant details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, Paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year.



Accordingly, compliance with the provisions of Section 192 of the Act is not applicable to the Company.

- (xvi) According to the information and explanations given to us, the Company is not engaged in the business of non banking financial institution and hence is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Sharp & Tannan
Chartered Accountants
Firm's Registration No. 109982W



Edwin P. Augustine
Partner
(Membership No. 043385)



Place: Mumbai

Date: 28 APR 2016

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
		Rs.	Rs.
I EQUITY & LIABILITIES			
1 Shareholder's funds			
(a) Share Capital	1	27,00,00,000	5,00,000
(b) Reserves and Surplus	2	(14,23,090)	(37,24,700)
Total Shareholders Funds		26,86,76,910	(32,24,700)
2 Share Application Money Pending Allotment		-	-
3 Non-current Liabilities		-	-
(a) Long term borrowings		-	-
(b) Deferred Tax Liabilities (net)		-	-
(c) Other long term liabilities		-	-
(d) Long Term Provisions		-	-
Total Non Current Liabilities		-	-
4 Current Liabilities			
(a) Short term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	3	18,25,115	37,21,700
(d) Short Term Provisions	4	13,00,000	-
Total Current Liabilities		31,25,115	37,24,700
Total Liabilities		31,25,115	37,24,700
Total Equity and Liabilities		27,17,02,025	5,00,000
II ASSETS			
1 Non-current Assets			
(a) Fixed Assets		-	-
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non current Investment	5	15,64,80,100	-
(c) Long-term loans and advances		-	-
(d) Other non current assets		-	-
Total Non-current assets		15,64,80,100	-
2 Current Assets			
(a) Current investment	6	9,59,43,942	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and bank balances	7	1,17,69,974	5,00,000
(e) Short-term loans and advances		-	-
(f) Other current assets	8	75,08,009	-
Total Current Assets		11,52,21,925	5,00,000
Total Assets		27,17,02,025	5,00,000
Significant Accounting Policies	A		

The accompanying notes are an Integral part of the financial statements

As per our report attached of even date
SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
By the hand of


Edwin P. Augustine
Partner
Membership No. 043385

Place : Mumbai
Date: 22nd April, 2016



For and on behalf of the Board of Directors of
Birla Sun Life Pension Management Limited


Sandeep Ashana
Managing Director & CEO
DIN:00401858


Pankaj Razdan
Director
DIN:00061240


Sandhya Upadhyaya
Chief Finance Officer


Shweta Shah
Company Secretary

Birla Sun Life Pension Management Limited

Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Note No.	Year ended 31st	Year ended
		Mar 2016	31st Mar 2015
		Rs.	Rs.
Income			
I Revenue from operations (net)		-	-
II Other income	9	84,76,264	-
Total Revenue (I+II)		84,76,264	-
III Expenses			
Employee benefits expense	10	12,48,572	
Administrative and other expenses	11	36,26,082	37,24,700
IV Total Expenses		48,74,654	37,24,700
V Profit / (Loss) before tax		36,01,610	(37,24,700)
VI Tax Expense :			
Current Tax		(13,00,000)	-
Deferred Tax credit/(charge)		-	-
VII Profit / (Loss) after tax		23,01,610	(37,24,700)
VIII Earnings per Equity Share	17		
- Basic		0.13	(74.49)
- Diluted		0.13	(74.49)
Face value per Equity Share		10.00	10.00
Significant Accounting Policies	A		

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 109982W

By the hand of



Edwin P. Augustine

Partner

Membership No. 043385

Place : Mumbai

Date: 22nd April, 2016

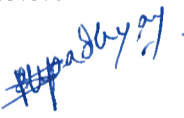
For and on behalf of the Board of Directors of
Birla Sun Life Pension Management Limited



Sandeep Asthana
Managing Director & CEO
DIN:00401858



Pankaj Razdan
Director
DIN:00061240

Sandhya Upadhyaya
Chief Financial Officer



Shweta Shah
Company Secretary

Particulars	Note No.	31st March 2016	31st March 2015
		Rs.	Rs.
(A) CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before tax		36,01,610	(37,24,700)
Adjustments:			
Profit on sale of current investments		(59,43,942)	-
Interest on long term investments		(25,32,322)	-
Operating profit before working capital changes		(48,74,654)	(37,24,700)
Adjustments for Working Capital Changes :			
(Increase) / decrease in other current assets		(49,75,687)	-
Increase / (decrease) in other current liabilities		(18,99,585)	37,24,700
		(68,75,272)	37,24,700
Cash generated from operations		(1,17,49,926)	-
Direct taxes paid (net of refunds)		-	-
Net cash generated from / (used) In operations	(A)	(1,17,49,926)	-
(B) CASH FLOWS FROM INVESTMENT ACTIVITIES			
Sale proceeds of current investments		17,00,00,000	-
Purchase of long term / current Investments		(41,64,80,100)	-
Net cash generated from / (used) In Investment activities	(B)	(24,64,80,100)	-
(C) CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Inflows from financing activities</i>			
Proceeds from issue of share capital		26,95,00,000	5,00,000
<i>Outflows from financing activities</i>		-	-
Net cash generated from / (used) in financing activities	(C)	26,95,00,000	5,00,000
Net changes in cash and cash equivalents	(A+B+C)	1,12,69,974	5,00,000
Cash and cash equivalents - Opening balance		5,00,000	-
Cash and cash equivalents - Closing balance		1,17,69,974	5,00,000
Net increase / (decrease) in cash and cash equivalents		1,12,69,974	5,00,000

Notes :

- 1) Cash and cash equivalents are as disclosed under Note 7 of the financial statements
- 2) The aforesaid statement has been prepared under the Indirect method, as set out in "Accounting Standard 3 - Cash Flow Statement"

As per our report attached of even date
SHARP & TANNAN
 Chartered Accountants
 Firm's Registration No. 109982W
 By the hand of

Augustine

Edwin P. Augustine
 Partner
 Membership No. 043385



Place : Mumbai
 Date: 22nd April, 2016

For and on behalf of the Board of Directors of
 Birla Sun Life Pension Management Limited

Asthana

Sandeep Asthana
 Managing Director & CEO
 DIN:00401858

Razdan

Pankaj Razdan
 Director
 DIN:00061240

Upadhyaya

Sandhya Upadhyaya
 Chief Finance Officer

Shah

Shweta Shah
 Company Secretary

Birla Sun Life Pension Management Limited

Notes Forming Part of the Financial Statements for the year ended 31st March 2016

NOTE 1 : SHARE CAPITAL	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
Authorized : 35,000,000 (Previous year 35,000,000) Equity shares of Rs. 10 each	35,00,00,000	35,00,00,000
Issued : 27,000,000 (Previous year 50,000) equity shares of Rs. 10 each	27,00,00,000	5,00,000
Subscribed and Paid up : 27,000,000 (Previous year 50,000) equity shares of Rs. 10 each	27,00,00,000	5,00,000
	27,00,00,000	5,00,000

Reconciliation of number of equity shares outstanding :	As at 31.03.2016	As at 31.03.2015
	Number of shares	Number of shares
Number of shares outstanding as at the beginning of the year	50,000	-
Number of shares allotted during the year	2,69,50,000	50,000
Number of shares outstanding at the end of the year	2,70,00,000	50,000

The Company is 100% wholly owned subsidiary of Birla Sun Life Insurance Company Limited (along with 6 nominees of the Holding Company).

Birla Sun Life Insurance Company Limited holds 26,999,940 (previous year 49,940) shares and its nominees hold 60 (previous year 60) shares, face value of shares being Rs. 10 each.

Details of shareholders holding more than 5% shares in the Company :

Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Birla Sun Life Insurance Company Limited and it's nominees	2,70,00,000	100.00%	50,000	100.00%

Terms / rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

Other disclosures :

Since this is the second year of the Company disclosures for the period of five years immediately preceding the date at which the balance sheet is prepared does not arise.



NOTE 2 : RESERVES AND SURPLUS	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
Balance In Statement of Profit and Loss		
- As per last Balance Sheet	(37,24,700)	-
Profit / (Loss) for the year	23,01,610	(37,24,700)
	(14,23,090)	(37,24,700)

NOTE 3 : OTHER CURRENT LIABILITIES	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
- Due to holding company	17,48,115	36,46,200
- Liability for expenses	45,000	73,500
- Statutory dues	32,000	5,000
	18,25,115	37,24,700

Note 4 : Short Term Provisions	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
Provision for Tax	13,00,000	-
	13,00,000	-

NOTE 5 : Non current Investments (at cost)	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
- Non convertible debentures (NCD) - Public sector unit bonds		
- 9.34% HDFC 2024 bonds (quoted)	10,48,00,500	-
(2 bonds of Rs. 50,000,000 each purchased during the year)		
- 9.24% LIC HF 2024 bonds (quoted)	5,16,79,600	-
(1 bond of Rs. 50,000,000 each purchased during the year)		
	15,64,80,100	-
Aggregate market value of quoted Investment		
- 9.34% HDFC 2024 bonds (quoted)	10,48,12,700	-
- 9.24% LIC HF 2024 bonds (quoted)	5,23,07,900	-
	15,71,20,600	-

NOTE 6 : Current Investments	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
- Mutual funds		
- Birla Sun life cash Plus-Growth Direct plan (unquoted)	9,59,43,942	-
(1,124,194 units of Rs. 231.27 each purchased during the year of which		
709,350 units were redeemed during the year)		
	9,59,43,942	-

NOTE 7 : CASH AND BANK BALANCES	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
Cash and cash equivalents		
Balance with banks		
- on current accounts	1,17,69,974	5,00,000
Cash on hand	-	-
	1,17,69,974	5,00,000

NOTE 8 : OTHER CURRENT ASSETS	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
- Interest accrued but not due	62,56,881	-
- Service tax credit receivable	2,51,128	-
- Prepaid license fees	10,00,000	-
	75,08,009	-

NOTE 9 : OTHER INCOME	For the year ended 31st March 2016	For the year ended 31st March 2015
	Rs.	Rs.
Interest Income from long term investments	25,32,322	-
Gain on sale of current investments	59,43,942	-
	84,76,264	-



Notes Forming Part of the Financial Statements for the year ended 31st March 2016

10 Employee benefit expenses and cost sharing arrangement :

Salaries and wages

The employees are on deputation from the holding company and their remuneration amounting to Rs. 1,248,572 (previous year Nil) is paid by the Company as per the terms of employment with the holding company.

Cost sharing arrangement

Given the size of its operations, the Company has entered into an arrangement with the holding company for sharing employees and infrastructures to conduct day to day business operation. Under this arrangement, all the appropriate costs attributable to the Company like employee remuneration, rent, utilities etc. are cross charged by the holding company to the Company. All such costs are charged to the Company on arm's length basis. The expenses cross charged to the Company under such agreement have been shown as transactions with related parties under note 17 of the financial statements.

NOTE 11 : ADMINISTRATIVE AND OTHER EXPENSES	For the year ended 31st March 2016	For the year ended 31st March 2015
	Rs.	Rs.
Rent and utilities	2,70,000	-
Legal and professional fees	15,724	-
Rates and taxes	19,258	1,800
Registration fees (PFRDA)	25,00,000	-
License fees (PFRDA)	2,50,000	-
Auditors' remuneration (excluding applicable taxes)		
- Audit fees	50,000	50,000
- for reimbursement of expenses	2,500	-
Directors sitting fees	2,75,000	-
Bank charges	200	-
Preliminary Expenses	2,42,800	36,72,900
Miscellaneous expenses	600	-
	36,26,082	37,24,700

12 Contingent Liabilities and Commitments :

There are no Contingent Liabilities and Commitments outstanding as on March 31, 2016 (Previous year -Nil).

13 Disclosures as required by Accounting Standard (AS) 15 - Employee Benefits :

During the period the Company does not have any employee on its payroll. All employees are on deputation from the holding Company. In view of the above, the reporting requirements pursuant to Accounting Standard (AS) 15 on "Employee Benefits" does not arise. (Previous year - Nil)

14 Disclosures as required by Accounting Standard (AS) 16 - Borrowing Costs :

During the period the Company did not incur any borrowing costs. In view of the above, the reporting requirements pursuant to Accounting Standard (AS) 16 - "Borrowing Costs" does not arise. (Previous year - Nil)

15 Disclosures as required by Accounting Standard (AS) 17 - Segment Reporting :

The Company will be engaged in a single business segment i.e. Pension Fund Management. In the absence of separate reportable business or geographic segment the reporting requirements pursuant to Accounting Standard (AS) 17 - "Segment Reporting" does not arise.

16 Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) :

Based on the information and records available with the Company there are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to dues which were outstanding for more than 45 days as at March 31, 2016 together with interest payable under this Act does not arise. (Previous year - Nil)

17 Earnings per share [EPS] computed in accordance with Accounting Standard (AS) 20 - Earnings Per Share

		31.03.2016	31.03.2015
Profit / (Loss) after tax as per Statement of Profit and Loss	Rs.	23,01,610	(37,24,700)
Number of equity shares outstanding (for basic earnings per share)			
Equity shares at the beginning of the year	No.	50,000	-
Equity shares issued during the year	No.	2,69,50,000	50,000
Equity shares at the close of the year	No.	2,70,00,000	50,000
Weighted average number of equity shares for basic equity share	No.	1,76,48,497	50,000
Number of equity shares outstanding (for diluted earnings per share)			
Equity shares as above	No.	1,76,48,497	50,000
Potential equity shares on allotment of application money	No.	-	-
Total equity share for calculation of diluted earnings per share	No.	1,76,48,497	50,000
Face value of equity share	Rs.	10	10
Earnings per share (basic and diluted) :			
- Basic	Rs.	0.13	(74.49)
- Diluted	Rs.	0.13	(74.49)



18 Disclosures of related parties/ related party transaction as required by Accounting Standard (AS) 18 - Related Party Disclosures :

(a) Relationships:

List of related parties where control exists and with whom transactions were carried out during the year:

(i) Holding Company

1 Birla Sun Life Insurance Company Limited

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Sr No.	Nature of transaction / relationship	<i>in Rs.</i>	
		For the year ended 31st March 2016	For the year ended 31st March 2015
1	Share capital received	26,95,00,000	5,00,000
		26,95,00,000	5,00,000
2	Reimbursement of expenses (including service tax)		
	- salary and benefits	14,29,615	-
	- rent and utilites	3,09,150	-
	- Other expenses	97,063	36,46,200
		18,35,828	36,46,200

(c) Amount due to related parties

Sr No.	Nature of transaction / relationship	As at 31.03.2016	As at 31.03.2015
1	Due to Holding Company	17,48,115	36,46,200
		17,48,115	36,46,200

19 Disclosures as required by Accounting Standard (AS) 19 - Leases :

During the year the Company has not entered into any operating / finance lease. In view of the above, the reporting requirements pursuant to Accounting Standard (AS) 19 on "Leases" does not arise. (Previous year - Nil)

20 Disclosures as required by Accounting Standard (AS) 22 - Accounting for Taxes on Income :

During the year the Company has not recognized any deferred tax asset pursuant to the requirements of Accounting Standard (AS) 22 on "Accounting for Taxes on Income" on the concept of prudence. (Previous year - Nil)

21 Previous years figures have been regrouped / reclassified wherever necessary, to make them comparable with those of the present year.



Birla Sun Life Pension Management Limited

Note A

Corporate Information :

Birla Sun Life Pension Management Limited ("the Company") is a wholly owned subsidiary of Birla Sun Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on January 09, 2015 with Registration Number U66000MH2015PLC260801 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority ("PFRDA") has granted Certificate of Registration vide a letter dated February 23, 2016 (bearing registration No.: PFRDA/Birla PF/2016) to Birla Sun Life Pension Management Limited to act as pension fund under National Pension System (NPS).

Significant Accounting Policies :

1 Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in

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

2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires that the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure relating to contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3 Revenue recognition

Revenue is recognised only when it is reasonably certain that the ultimate collection will be made.

3.1 Income on investment

Interest income on investments is recognised on accrual basis.

Profit or loss on sale of mutual fund units is calculated the difference between the sale consideration net of expenses and weighted average cost as on the date of sale.

4 Investment

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

5 Provisions, contingent liabilities and contingent assets

Provisions are recognised in respect of present obligations that arise as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of obligation can be made.



Birla Sun Life Pension Management Limited

Note A

Contingent liabilities are disclosed in respect of ;

- a) possible obligations that arise from past events, the existence or otherwise of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or
- b) present obligation that arises from past events, but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither accounted for nor disclosed.

6 Cash and cash equivalents

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

7 Taxes on Income

The income tax expense comprises Current tax and Deferred tax. Provision for income tax is made in accordance with the provisions of the Income Tax Act, 1961 as applicable to the company carrying on pension business.

In accordance with the provisions of Accounting Standard (AS) 22, "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient taxable income will be available against which such deferred tax asset can be realised. However, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognised only if there is a virtual certainty back by convincing evidence that such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain, as the case may be, to be realised.

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

8 Earnings per equity share

Basic earnings per share is 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.

9 Cash flow statement

Cash flows are reported using the indirect method as explained in Accounting Standard (AS) 3, "Cash Flow Statements" issued by The Institute of Chartered Accountants of India, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are separately presented.

10 Events occurring after the Balance Sheet date

Where material, events occurring after the date of Balance Sheet are considered upto the date of approval of financial statements by the Board of Directors.



INDEPENDENT AUDITOR'S REPORT

To the members of Birla Sunlife Pension Management Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Birla Sunlife Pension Management Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion


In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) Considering the reporting requirements specified by the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI') and the nature and volume of transactions of the Company, which is in the startup phase, 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 in respect of such transactions incurred during the startup phase were operating effectively as at 31st March, 2016; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 12 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



For Sharp & Tannan
Chartered Accountants
Firm's Registration No. 109982W


Edwin P. Augustine
Partner
(Membership No. 043385)

Mumbai, ***2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) Since the Company does not have any fixed assets as at the Balance Sheet date, Paragraph 3(i) of the Order is not applicable to the Company.
- (ii) Since the Company is engaged in service activity, it does not hold any inventory and accordingly Paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, there are no companies, firms, limited liability partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act") and accordingly Paragraph 3(iii) of the Order concerning grant of loans is not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not advanced any loan, made any investment, given any guarantee or provided any security to the parties covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence in our opinion the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder are not applicable.
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended) for the services rendered by the the Company. Accordingly, Paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the Information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company has since paid the installment of advance tax for the last quarter of the financial year. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax as at 31st March, 2016 which have not been deposited on account of a dispute.
- (viii) According to the information and explanations given to us, and the records of the Company examined by us, the Company did not have any loans or borrowing from a financial institution, bank or government. The Company has not issued any debentures. Accordingly Paragraph 3(viii) of the Order is not applicable to the Company




instruments). The Company has not taken any term loans during the year. Accordingly, Paragraph 3(ix) of the Order is not applicable to the Company.

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any instances of fraud on the Company by its officers or employees on deputation noticed or reported during the year, nor we have been informed of any such case by the management.
- (xi) According to the information and explanations given to us, the Company has not paid / provided for managerial remuneration during the financial year. Accordingly, Paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, all transactions with the related parties are in compliance with Section 177 and Section 188 of the Act and the relevant details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, Paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, compliance with the provisions of Section 192 of the Act is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not engaged in the business of non banking financial institution and hence is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.



Mumbai, *** 2016

For Sharp & Tannan
Chartered Accountants
Firm's Registration No. 109982W


Edwin P. Augustine
Partner
(Membership No. 043385)