

Financial Statement

2015-16

Reliance Capital Pension Fund Limited

Independent Auditor's Report

To,
The Members,
Reliance Capital Pension Fund Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Capital Pension Fund Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 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 there under.

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

Independent Auditor's Report (Continued)
Reliance Capital Pension Fund Limited

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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 March 31, 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 (Auditor's 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 the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditor's Report (Continued)
Reliance Capital Pension Fund Limited

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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 does not have any pending litigations which would impact its financial position of the Company.
 - 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 Pathak H.D. & Associates
Chartered Accountants
Firm's Registration No:107783W

Vishal D. Shah
Partner
Membership No: 119303

Mumbai
Dated : April 16, 2016

Reliance Capital Pension Fund Limited

Annexure to the Independent Auditor's Report (*Continued*)

(Referred to in our report of even date)

- (i) In our opinion and according to the information and explanations given to us, the Company does not have any fixed assets during the year, hence clause (i) of Paragraph 3 of the Order is not applicable to the Company.
- (ii) In our opinion and according to the information and explanations given to us, the Company is a service company, primarily engaged in the activities of pension fund management. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, during the year under audit, neither the Company has given any loan or provides any guarantee or security to its director or any other person, in whom director is interested nor the Company has given any loan or guarantee and provide any security and acquired any security of body corporate. Accordingly, provisions of clauses 3 (iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable. During the year under audit, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for whether the same has been complied with or not.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Hence the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
 - a) According to the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable except in case of Professional Tax in which there were few delays in payment of said dues.

Reliance Capital Pension Fund Limited

Annexure to the Independent Auditor's Report (*Continued*)

(Referred to in our report of even date)

Further, there are no undisputed amounts payable outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not borrowed from any financial institutions, banks, Government or debenture holders, thus the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, during the year the Company has paid managerial remuneration in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in accordance with the provisions of Section 177 and 188 of the Companies Act, 2013. The disclosures related to related party transactions, given in the financial statements, are as per the requirement of accounting standard.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment or private placement of shares and fully or partly debentures. Hence the provisions of clause 3 (xiv) of the Order is not applicable to the Company.

Reliance Capital Pension Fund Limited

Annexure to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is registered with the Pension Fund Regulatory & Development Authority ('PFRDA') as pension fund manager ('PFM'). Accordingly, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H.D. & Associates
Chartered Accountants
Firm's Registration No:107783W

Vishal D. Shah
Partner
Membership No: 119303

Mumbai
Dated : April 16, 2016

Annexure A to the Independent Auditor's Report of even date on the financial statements of the Reliance Capital Pension Fund Limited

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

We have audited the internal financial controls over financial reporting of **Reliance Capital Pension Fund Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure A to the Independent Auditor's Report of even date on the financial statements of the Reliance Capital Pension Fund Limited

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2016, 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.

For Pathak H.D. & Associates
Chartered Accountants
Firm's Registration No: 107783W

Vishal D. Shah
Partner
Membership No: 119303

Mumbai
Dated : April 16, 2016

RELIANCE CAPITAL PENSION FUND LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

| Particulars | Note No. | (Rupees) | |
|------------------------------------|----------|---------------------|---------------------|
| | | As at 31 March 2016 | As at 31 March 2015 |
| I. EQUITY AND LIABILITIES : | | | |
| 1 Shareholders' funds | | | |
| (a) Share Capital | 3 | 250,000,000 | 250,000,000 |
| (b) Reserves & Surplus | 4 | 10,138,394 | 9,949,662 |
| 2 Non-current liabilities | | | |
| (a) Long Term Provisions | 5 | 349,617 | 118,391 |
| 3 Current liabilities | | | |
| (a) Other Current Liabilities | 6 | 4,052,935 | 3,113,198 |
| (b) Short Term Provisions | 7 | 1,476 | 826 |
| TOTAL | | <u>264,542,422</u> | <u>263,182,077</u> |
| II. ASSETS : | | | |
| 1 Non-current assets | | | |
| (a) Fixed Assets | 8 | | |
| (i) Intangible Assets | | - | 76,082 |
| (b) Long Term Investments | 9 | 66,376,000 | 48,050,000 |
| (c) Long Term Loans & Advances | 10 | 27,537 | 964,090 |
| (d) Other Non-Current Assets | 11 | 1,130,826 | 1,050,448 |
| 2 Current assets | | | |
| (a) Current Investments | 12 | 194,745,521 | 209,483,257 |
| (b) Trade Receivables | 13 | 28,858 | 20,453 |
| (c) Cash & Bank Balance | 14 | 1,165,982 | 2,810,781 |
| (d) Short Term Loans & Advances | 15 | 178,036 | 255,138 |
| (e) Other Current Assets | 16 | 889,662 | 471,828 |
| TOTAL | | <u>264,542,422</u> | <u>263,182,077</u> |

See accompanying notes to the financial statements '1-27'

As per our report of even date

For Pathak H.D & Associates
Chartered Accountants
Firm Registration No. 107783W

For and on behalf of the Board

Vishal D. Shah
Partner
Membership No. 119303

Sundeep Sikka
(Director)

V. K. Chopra
(Director)

Gurbir Singh Chopra
(Chief Executive Officer)

Dinesh Kotian
(Chief Financial Officer)

Hemali Mehta
(Company Secretary)

Manish Shah
(Manager)

Mumbai
Date: 16 April 2016

Mumbai
Date: 16 April 2016

RELIANCE CAPITAL PENSION FUND LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rupees)

| Particulars | Note No. | 2015-16 | 2014-15 |
|--|----------|-------------------|-------------------|
| REVENUE | | | |
| I Revenue from operations | 17 | 90,214 | 452,880 |
| II Other Income | 18 | 20,174,615 | 17,090,341 |
| III TOTAL REVENUE (I+II) | | 20,264,829 | 17,543,221 |
| IV EXPENSES | | | |
| Employee Benefit Expense | 19 | 14,104,904 | 11,500,522 |
| Depreciation and Amortisation | 8 | 76,082 | 78,644 |
| Other Expenses | 20 | 5,913,810 | 4,489,304 |
| TOTAL EXPENSES | | 20,094,796 | 16,068,470 |
| V PROFIT BEFORE TAX (III-IV) | | 170,033 | 1,474,751 |
| VI TAX EXPENSE : | | | |
| Current Tax | | - | - |
| Previous Year Tax | | (18,700) | - |
| VII PROFIT AFTER TAX (V-VI) | | 188,733 | 1,474,751 |
| VIII EARNING PER EQUITY SHARE : | | | |
| Basic & Diluted | 24 | 0.01 | 0.06 |

See accompanying notes to the financial statements '1-27'

As per our report of even date

For Pathak H.D & Associates
Chartered Accountants
Firm Registration No. 107783W

For and on behalf of the Board

Vishal D. Shah
Partner
Membership No. 119303

Sundeep Sikka
(Director)

V. K. Chopra
(Director)

Gurbir Singh Chopra
(Chief Executive Officer)

Dinesh Kotian
(Chief Financial Officer)

Hemali Mehta
(Company Secretary)

Manish Shah
(Manager)

Mumbai
Date: 16 April 2016

Mumbai
Date: 16 April 2016

RELIANCE CAPITAL PENSION FUND LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rupees)

| Particulars | 2015-16 | 2014-15 |
|---|--------------|--------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit / (Loss) After Tax | 188,733 | 1,474,751 |
| Adjusted for | | |
| Depreciation and Amortisation | 76,082 | 78,644 |
| Service Tax Written Off | 807,886 | - |
| (Profit)/Loss on Sale of Investments | (15,351,263) | (12,806,355) |
| Interest on Tax Free Debentures or Bonds | (4,711,246) | (4,136,181) |
| Interest on Fixed Deposit | (103,827) | (147,448) |
| Operating Profit/(Loss) before Working Capital Changes | (19,093,635) | (15,536,589) |
| Adjusted for | | |
| Trade Receivable & Loans and advances | 68,697 | 144,933 |
| Trade Payables and Liabilities | 1,171,610 | (24,971) |
| Cash Generated from Operation | (17,853,328) | (15,416,627) |
| Taxes Paid | 128,667 | 5,584 |
| Net Cash from / (used in) Operating Activities | (17,724,661) | (15,411,043) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Long Term Investments | (18,326,000) | - |
| Sale of Current Investments (Net) | 30,089,000 | 5,700,001 |
| Interest on Tax Free Debentures or Bonds | 4,245,715 | - |
| Fixed Deposit with Bank | 1,000,000 | (1,000,000) |
| Interest on Fixed Deposit | 71,147 | 4,284,091 |
| Net Cash from / (used in) Investing Activities | 17,079,862 | 8,984,092 |
| C. Cash Flow from Financing Activities | | |
| Net Cash from / (used in) Financing Activities | - | - |
| Net increase / (decrease) in Cash and Cash Equivalents (A + B + C) | (644,799) | (6,426,951) |
| Opening Balance of Cash and Cash Equivalents | 1,810,781 | 8,237,732 |
| Closing Balance of Cash and Cash Equivalents | 1,165,982 | 1,810,781 |

As per our report of even date

For Pathak H.D & Associates
Chartered Accountants
Firm Registration No. 107783W

For and on behalf of the Board

Vishal D. Shah
Partner
Membership No. 119303

Sundeep Sikka
(Director)

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(Director)

Gurbir Singh Chopra
(Chief Executive Officer)

Dinesh Kotian
(Chief Financial Officer)

Hemali Mehta
(Company Secretary)

Manish Shah
(Manager)

Mumbai
Date: 16 April 2016

Mumbai
Date: 16 April 2016

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1 Background

Reliance Capital Pension Fund Limited ("the Company") was incorporated on March 31, 2009 with the Registrar of Companies (RoC), Maharashtra, Mumbai. Subsequently as on April 30, 2009 the Company was registered as a "Pension Fund Manager" with the Pension Fund Regulatory and Development Authority ('PFRDA') to act as a pension fund manager to manage the pension assets under the New Pension System (NPS).

2 Significant Accounting Policies

a Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting. They are in conformity with the accounting principles generally accepted in India ('GAAP'), and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c Revenue Recognition

i) Investment Management Fees

Investment Management fees (net of service tax) are recognised on an accrual basis in accordance with the Investment Management Agreement, on average Assets Under Management (AUM), confirmed by Schemes.

ii) Profit or Loss on Sale of Investments

Profit or loss earned from sale of investments is recognized on a trade date basis.

iii) Interest Income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii) Other Income

Dividend income is recognised when the right to receive dividend is established.

d Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortisation and Impairment loss, if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

e Intangible Assets

Intangible assets include software purchased/developed and licensing costs which comprises purchase price and any attributable cost of bringing the asset to its workable condition for its intended use.

f Depreciation/Amortisation

Depreciation on tangible assets is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Tangible assets are depreciated on written down value method over the useful life of assets, as prescribed in Part C of Schedule II of the Companies Act, 2013. Intangible assets are depreciated/amortised on straight line basis over the useful life of the software up to a maximum of three years commencing from the date on which such software is first put to use.

g Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. 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.

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

h Investments

Investments are classified into Current Investments and Long-term Investments. Current investments are valued, scrip wise, at cost or fair value, whichever is lower. Long-term Investments are valued at cost. Provision for diminution is made scrip wise to recognise a decline, other than temporary, determined separately for each individual investment. Cost of investments is computed based on the "weighted average cost" method.

i Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / increase loss per share are included.

j Provision for Current Tax and Deferred Tax

(i) Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

(ii) Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

k Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

| 3 Share Capital | | (Rupees) | | |
|--|------------------------|---------------|------------------------|---------------|
| Particulars | As at 31 March 2016 | | As at 31 March 2015 | |
| a) Authorised: | | | | |
| 27,000,000 Equity Shares of Rs. 10 each (March 31, 2015 : 27,000,000 Equity Shares of Rs. 10 each) | | 270,000,000 | | 270,000,000 |
| | | 270,000,000 | | 270,000,000 |
| b) Issued, Subscribed & Paid up | | | | |
| 25,000,000 Equity Shares of Rs. 10 each fully paid (March 31, 2015 : 25,000,000 Equity Shares of Rs. 10 each) | | 250,000,000 | | 250,000,000 |
| | | 250,000,000 | | 250,000,000 |
| c) Par Value per Share | | Amount in Rs. | | Amount in Rs. |
| Equity | | 10 | | 10 |
| d) Reconciliation of Issued, subscribed and fully paid up Share Capital | | | | |
| | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. |
| Equity Shares | | | | |
| Opening Balance | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |
| Add: Addition during the year | - | - | - | - |
| Less : Reduction during the year | - | - | - | - |
| Closing Balance | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- e) **Rights, Preferences and Restrictions :**
- i) Each holder of Equity shares is entitled to one vote per share and carries dividend right. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- ii) On December 21, 2012 the Company's holding Company i.e. Reliance Capital Asset Management Ltd. (RCAM) and a fellow subsidiary i.e. Reliance Gilts Limited (RGL) have entered into a Share Purchase Agreement and Option Agreement with respect to the shares of the Company, to which the Company is also a party.
- a) As per Share Purchase Agreement, RGL has acquired 3,750,000 equity share (Option Share) of the Company from RCAM.
- b) As per Option Agreement, RGL has irrevocably granted RCAM the Option to purchase the Option shares at any time by issuing a notice in writing to RGL to exercise the Option.
- c) From the date of receipt of the Option Exercise Notice up to Option Completion, RGL will deal with the Option shares, exercise or refrain from exercising any voting or other consensual rights arising from or in respect of the Option shares in accordance with RCAM's instruction and hold any distributions in respect of Option shares in trust of RCAM and deal with such distributions only in accordance with RCAM's instruction.
- iii) On February 18, 2015 the Company's holding Company i.e. Reliance Capital Asset Management Ltd. (RCAM) and a fellow subsidiary i.e. Reliance Gilts Limited (RGL) have entered into a Share Purchase Agreement and Option Agreement with respect to the shares of the Company, to which the Company is also a party.
- a) As per Share Purchase Agreement, RGL has acquired 50,00,000 equity share (Option Share) of the Company from RCAM.
- b) As per Option Agreement, RGL has irrevocably granted RCAM the Option to purchase the Option shares at any time by issuing a notice in writing to RGL to exercise the Option.
- c) From the date of receipt of the Option Exercise Notice up to Option Completion, RGL will deal with the Option shares, exercise or refrain from exercising any voting or other consensual rights arising from or in respect of the Option shares in accordance with RCAM's instruction and hold any distributions in respect of Option shares in trust of RCAM and deal with such distributions only in accordance with RCAM's instruction.
- d) The original option agreement, shall be amended and restated so that it shall be read and construed for all purposes as set out as per this agreement.

f) **Shares held by holding company i.e. Reliance Capital Asset Management Limited including jointly Held**

| Particulars | As at 31 March 2016 | | As at 31 March 2015 | |
|---|------------------------|--------------|------------------------|--------------|
| | No of Shares | % of Holding | No of Shares | % of Holding |
| i) Reliance Capital Asset Management Limited | 16,249,994 | 65.00 | 16,249,994 | 65.00 |
| ii) Reliance Gilts Limited | 8,750,000 | 35.00 | 8,750,000 | 35.00 |
| iii) Reliance Capital Asset Management Limited Jointly with its nominees | 6 | 0.00 | 6 | 0.00 |
| | 25,000,000 | 100 | 25,000,000 | 100 |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| 4 Reserves and Surplus | | (Rupees) | |
|--|------------------------|------------------------|--|
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| a) <u>Surplus in Statement of Profit & Loss</u> | | | |
| As Per Last Balance Sheet | 9,949,661 | 8,474,911 | |
| Add: Transfer from Statement of Profit & Loss | 188,733 | 1,474,751 | |
| | <u>10,138,394</u> | <u>9,949,661</u> | |
| 5 Long Term Provisions | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Provision For Employees Benefits | | | |
| Gratuity | 349,617 | 118,391 | |
| | <u>349,617</u> | <u>118,391</u> | |
| 6 Other Current Liabilities | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Other Payables # | 4,052,935 | 3,113,198 | |
| | <u>4,052,935</u> | <u>3,113,198</u> | |
| # Includes Statutory Dues Payables & Other Liabilities | | | |
| 7 Short Term Provisions | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Provision For Employees Benefits | | | |
| Gratuity | 1,476 | 826 | |
| | <u>1,476</u> | <u>826</u> | |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Note "8" - Fixed Assets

| Sr. No. | Particulars | Gross Block | | | | Depreciation | | | Net Block | | |
|---------|---------------------------|---------------------|----------|----------|----------------------|--------------------|--------------|------------|---------------------|----------------------|----------------------|
| | | As at April 1, 2015 | Addition | Deletion | As at March 31, 2016 | Upto April 1, 2015 | Depreciation | deductions | Upto March 31, 2016 | As at March 31, 2016 | As at March 31, 2015 |
| (i) | Tangible Assets | - | - | - | - | - | - | - | - | - | - |
| | Data Processing Machinery | - | - | - | - | - | - | - | - | - | - |
| | Total | 11,410 | - | 11,410 | - | 11,410 | - | - | - | - | - |
| | Previous Year | - | - | - | - | - | - | - | - | - | - |
| (ii) | Intangible Assets | 2,337,956 | - | - | 2,337,956 | 2,261,874 | 76,082 | - | 2,337,956 | - | 76,082 |
| | Computer Software | 2,337,956 | - | - | 2,337,956 | 2,261,874 | 76,082 | - | 2,337,956 | - | 76,082 |
| | Total | 2,337,956 | - | - | 2,337,956 | 2,183,230 | 78,644 | - | 2,261,874 | 76,082 | 76,082 |
| | Previous Year | 2,337,956 | - | - | 2,337,956 | 2,183,230 | 78,644 | - | 2,261,874 | 76,082 | 76,082 |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| 9. Long Term Investments | | | | | | (Rupees) |
|---|-----------------------------------|------------------------|------------------------|------------------------|------------------------|----------|
| Particulars | Face Value /Issue Price Rs. | Quantity | | Value | | |
| | | As at 31 March 2016 | As at 31 March 2015 | As at 31 March 2016 | As at 31 March 2015 | |
| Investments in Debentures or Bonds | | | | | | |
| Quoted, fully paid-up | | | | | | |
| 8.50% Tax Free, Secured, Redeemable, Non-Convertible Bonds of National Highway Authority of India (NHAI), February 5, 2029 | 1,000 | 20,000 | 20,000 | 20,000,000 | 20,000,000 | |
| 8.76% Tax Free, Secured, Redeemable, Non-Convertible Bonds of National Housing Bank (NHB), January 13, 2034 | 5,000 | 3,610 | 3,610 | 18,050,000 | 18,050,000 | |
| 7.11% Tax Free, Secured, Redeemable, Non-Convertible Bonds of NTPC Limited, October 5, 2025, Series 1A. | 1,000 | 6,246 | - | 6,246,000 | - | |
| 7.28% Tax Free, Secured, Redeemable, Non-Convertible Bonds of Indian Railway Finance Corporation (IRFC), October 5, 2025, Tranche I Series 2B | 1,000 | 12,080 | - | 12,080,000 | - | |
| 8.55% Tax Free, Secured, Redeemable, Non-Convertible Bonds of India Infrastructure Finance Company Limited (IIFCL), March 27, 2029 | 1,000 | 10,000 | 10,000 | 10,000,000 | 10,000,000 | |
| | | | | 66,376,000 | 48,050,000 | |

Notes :

1) The aggregate value of investments:

| | As at 31 March 2016 | | As at 31 March 2015 | |
|--------------|------------------------|----------------------------|------------------------|----------------------------|
| | Book Value (Rupees) | Market Value * (Rupees) | Book Value (Rupees) | Market Value * (Rupees) |
| Quoted | 6 63 76 000 | 75,487,326 | 48,050,000 | 55,460,000 |
| Unquoted | - | - | - | - |
| TOTAL | 66,376,000 | 75,487,326 | 48,050,000 | 55,460,000 |

2) Basis of Valuation

| As at 31 March 2016 | As at 31 March 2015 |
|------------------------|------------------------|
| at cost | at cost |

* Market value is based on last traded quote.

| 10. Long-term loans and advances | | | (Rupees) |
|---|---------------|---------------|----------|
| Particulars | As at | | |
| | 31 March 2016 | 31 March 2015 | |
| Unsecured Considered Good | | | |
| Other Loans & Advances | | | |
| Balance with Service Tax Authority | - | 807,886 | |
| Taxes Paid | 27,537 | 156,204 | |
| [Net off Income Tax Provision Rs. Nil (Previous year Rs. 665,201)] | | | |
| | 27,537 | 964,090 | |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| 11. Other non-current assets | | (Rupees) | |
|---|---------------|----------|---------------|
| Particulars | As at | | As at |
| | 31 March 2016 | | 31 March 2015 |
| Fixed Deposit with Bank (Lien against bank guarantee) | 1,000,000 | | 1,000,000 |
| Accrued Interest on Fixed Deposit with Bank | 130,826 | | 50,448 |
| | 1,130,826 | | 1,050,448 |

| 12. Current Investments | | (Rupees) | | | |
|--|--------------------------------|------------------------|------------------------|------------------------|------------------------|
| Particulars | Face Value /Issue Price Rs. | Quantity | | Value | |
| | | As at 31 March 2016 | As at 31 March 2015 | As at 31 March 2016 | As at 31 March 2015 |
| Investments Units of Mutual Funds | | | | | |
| Quoted, fully paid-up | | | | | |
| Reliance Fixed Horizon Fund - XXVI - Series 18 - Direct Plan - Growth Plan | 10 | 2,000,000 | 2,000,000 | 20,000,000 | 20,000,000 |
| Reliance Fixed Horizon Fund - XXVI - Series 32 - Direct Plan - Growth Plan | 10 | 200,000 | 200,000 | 2,000,000 | 2,000,000 |
| Reliance Yearly Interval Fund - Series 3 - Direct Plan - Growth Plan | 10 | 912,925 | 912,925 | 10,000,000 | 10,000,000 |
| Investments Units of Mutual Funds | | | | | |
| Unquoted, fully paid-up | | | | | |
| Reliance Short Term Fund - Direct Plan - Growth Option | 10 | - | 1,490,574 | - | 38,685,189 |
| Reliance Money Manager Fund - Direct - Growth | 1,000 | - | 19,770 | - | 37,807,997 |
| Reliance Medium Term Fund - Direct - Growth | - | 326,819 | 1,300,282 | 9,986,653 | 37,500,000 |
| Reliance Gilt Securities Fund - Direct - Growth | 10 | 1,503,375 | 3,003,375 | 22,086,530 | 44,123,480 |
| Reliance Liquid Fund - Treasury Plan - Direct - Growth Option | 1,000 | 27,615 | - | 100,672,338 | - |
| Reliance Regular Saving Fund - Debt - Direct - Growth Option | 10 | 1,012,002 | - | 20,000,000 | - |
| Reliance Liquidity Fund - Direct - Growth Option | 1,000 | - | 4,455 | - | 9,366,591 |
| Reliance Income Fund - Direct - Growth Option | 10 | 215,584 | 215,584 | 10,000,000 | 10,000,000 |
| | | | | 194,745,521 | 209,483,256 |

Notes :

a) The aggregate value of investments:

| | As at 31 March 2016 | | As at 31 March 2015 | |
|--------------|------------------------|--------------------------|------------------------|--------------------------|
| | Book Value (Rupees) | Market Value (Rupees) | Book Value (Rupees) | Market Value (Rupees) |
| Quoted | 32,000,000 | 38,016,353 | 32,000,000 | 35,048,701 |
| Unquoted | 162,745,521 | 174,258,198 | 177,483,257 | 190,358,900 |
| TOTAL | 194,745,521 | 212,274,551 | 209,483,257 | 225,407,601 |

b) Basis of Valuation

| As at 31 March 2016 | As at 31 March 2015 |
|--|--|
| at cost or fair value, whichever is lower | at cost or fair value, whichever is lower |

c) Market value of unquoted investments is based on Net Asset Value (NAV) declared by the Mutual Fund.

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| 13. Trade Receivables | | (Rupees) | |
|--|------------------------|------------------------|--|
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Unsecured Considered Good | | | |
| Trade receivables outstanding for a year less than six months from the date they are due for payment | 28,858 | 20,453 | |
| | <u>28,858</u> | <u>20,453</u> | |
| 14. Cash & Bank Balance | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Cash & Cash Equivalents | | | |
| Balances with banks in current account | 1,165,982 | 1,810,781 | |
| Other Bank Balances | | | |
| Fixed Deposit with Bank | - | 1,000,000 | |
| | <u>1,165,982</u> | <u>2,810,781</u> | |
| 15. Short-term loans and advances | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Unsecured, considered good | | | |
| Advances to : | | | |
| Related Party | 115,166 | 154,376 | |
| Others | 4,818 | 73,922 | |
| Prepaid expenses | 58,052 | 26,840 | |
| | <u>178,036</u> | <u>255,138</u> | |
| 16. Other Current Assets | | (Rupees) | |
| Particulars | As at 31 March 2016 | As at 31 March 2015 | |
| Interest Accrued on : | | | |
| Debentures or Bonds | 889,662 | 424,131 | |
| Fixed Deposit with Bank | - | 47,697 | |
| | <u>889,662</u> | <u>471,828</u> | |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| 17. Revenue from operations | | (Rupees) | |
|---|-------------------|-------------------|--|
| Particulars | 2015-16 | 2014-15 | |
| Investment Management fees | 103,089 | 508,856 | |
| Less : Service Tax Recovered | 12,875 | 55,976 | |
| | <u>90,214</u> | <u>452,880</u> | |
| 18. Other Income | | (Rupees) | |
| Particulars | 2015-16 | 2014-15 | |
| Profit on Sale of Current Investments (Net) | 15,351,263 | 12,806,355 | |
| Interest on Tax Free Debentures or Bonds | 4,711,246 | 4,136,181 | |
| Interest on Fixed Deposit | 103,827 | 147,448 | |
| Interest on Income Tax Refund | 8,279 | 357 | |
| Miscellaneous Income | - | - | |
| | <u>20,174,615</u> | <u>17,090,341</u> | |
| 19. Employee Benefit Expense | | (Rupees) | |
| Particulars | 2015-16 | 2014-15 | |
| Salaries and Wages | 13,178,963 | 10,210,399 | |
| Contribution to provident and other funds | 925,941 | 1,190,460 | |
| Staff Welfare Expenses | - | 99,663 | |
| | <u>14,104,904</u> | <u>11,500,522</u> | |
| 20. Other Expenses | | (Rupees) | |
| Particulars | 2015-16 | 2014-15 | |
| PFRDA Annual Fees | 1,000,000 | 687,500 | |
| Auditor's Remuneration | | | |
| Statutory Audit Fees | 114,500 | 74,158 | |
| Directors' Sitting Fees | 365,300 | 382,024 | |
| Legal & Professional Fees | 1,544,665 | 1,121,021 | |
| Miscellaneous Expenses | 100,508 | 261,178 | |
| Rent | 522,496 | 456,272 | |
| Rates and Taxes | 5,390 | 15,000 | |
| Repairs & Maintenance - Others | 61,583 | 142,198 | |
| Service Tax Written Off | 807,886 | - | |
| Travelling & Conveyance | 1,391,482 | 1,349,291 | |
| Interest on Income Tax | - | 662 | |
| | <u>5,913,810</u> | <u>4,489,304</u> | |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

21 In the opinion of management, all the Assets other than Fixed Assets and Non-Current Investments are approximately of the value stated if realised in the ordinary course of business.

22 Employee Benefits

The Company has classified various employees benefit are as under :

I - Defined Contribution Plan

- (a) Provident Fund
(b) Employee's Pension Scheme.

The provident fund and employee's pension scheme are operated by the regional provident fund Commissioner. Under the Schemes, the Company is required to contribute as a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(Amount in Rupees)

| Sr. No. | Particulars | 2015-16 | 2014-15 |
|---------|---|---------|---------|
| a) | Employer's Contribution to Provident Fund | 474,789 | 470,442 |
| b) | Employer's Contribution to Pension Scheme | 219,276 | 141,275 |
| | Total | 694,065 | 611,717 |

II - Defined Benefit Plan

Reconciliation of opening and closing balances of the Present Value of the Defined Benefit

| Particulars | Gratuity Benefit Unfunded | Gratuity Benefit Unfunded |
|--|---------------------------|---------------------------|
| | 2015-16 | 2014-15 |
| I. Table showing change in the present value of defined benefit obligation | | |
| Present value of Defined Benefit | | |
| Obligation at the beginning of the year | 119,217 | 110,688 |
| Interest cost | 9,514 | 10,305 |
| Current service cost | 59,683 | 111,618 |
| Transitional Liability incurred during the period | - | - |
| Past Service Cost (non vested benefit) incurred during the period | - | - |
| Past Service Cost (vested benefit) incurred during the period | - | - |
| Liability Transferred In | - | - |
| Liability Transferred Out | - | - |
| Benefits paid | - | (525,163) |
| Actuarial (Gains) / Losses on Obligations - Due to Demographic Assumptions | 84,461 | (109,360) |
| Actuarial (Gains) / Losses on Obligations - Due to change in Financial Assumptions | 4,132 | 29,567 |
| Actuarial (Gains) / Losses on Obligations - Due to Experience | 74,086 | 491,562 |
| Present value of Benefit Obligation at the close of the year | 351,093 | 119,217 |
| II. Table of recognition of Actuarial Gains/ Losses | | |
| Actuarial (Gains) / Losses on obligation for the period | 162,679 | 411,769 |
| Actuarial (Gains) / Losses on asset for the period | - | - |
| Subtotal | 162,679 | 411,769 |
| Actuarial (Gains) / Losses recognized in income & expenses statement | 162,679 | 411,769 |
| III. Table of recognition of Transitional Liability | | |
| Unrecognized transitional liability at the start of the year | - | - |
| Unrecognized transitional liability incurred during the year | - | - |
| (Transitional liability recognized during the year) | - | - |
| Unrecognized Transitional Liability at the end of the year | - | - |
| IV. Amount recognized in the Balance Sheet | | |
| Fair value of plan assets at the end of the year | - | - |
| (Present value of benefit obligation as at the end of the year) | (351,093) | (119,217) |
| Funded Status | (351,093) | (119,217) |
| Unrecognized past service cost at the end of the year | - | - |
| Unrecognized transitional liability at the end of the year | - | - |
| Net (Liability)/ asset recognized in the Balance Sheet | (351,093) | (119,217) |
| V. Expense recognized in the Income Statement | | |
| Current service cost | 59,683 | 111,618 |
| Interest Cost (Net) | 9,514 | 10,305 |
| Actuarial (Gains) / Losses | 162,679 | 411,769 |
| Past Service Cost (non vested benefit) recognized during the year | - | - |
| Past Service Cost (vested benefit) recognized during the year | - | - |
| Transitional liability recognized during the year | - | - |
| Expense recognized in P&L | 231,876 | 533,692 |

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

| Particulars | Gratuity Benefit | Gratuity Benefit |
|--|------------------|------------------|
| | Unfunded | Unfunded |
| | 2015-16 | 2014-15 |
| VI. Balance Sheet Reconciliation | | |
| Opening net liability | (119,217) | (110,688) |
| Expense as above | 533,692 | 533,692 |
| Net Transfer In | - | - |
| (Net Transfer Out) | - | - |
| (Benefit Paid) | (525,163) | (525,163) |
| (Benefit Paid on account of settlements) | - | - |
| Net (Liability)/ asset recognized in the Balance Sheet | (351,093) | (119,217) |
| VII. Assumptions | | |
| Discount Rate (Current) | 7.85% | 9.31% |
| Salary Escalation (Current) | 6.00% | 5.00% |
| Attrition Rate (Current) - For service 4 years and below | 16.00% | 2.00% |
| Attrition Rate (Current) - For service 5 years and above | 6.00% | 0.00% |
| VIII. Other Details | | |
| No of Employees | 5 | 5 |
| Salary per month | 345,775 | 319,800 |
| IX. Experience Adjustment | | |
| On plan liability (gains) / losses | 351,093 | 119,217 |
| On plan assets (losses) / gains | - | - |

23 Segment Reporting :

The Company is mainly engaged in the business of acting as a pension fund manager to manage the pension assets under the New Pension System (NPS). All other activities of the Company revolve around the main business, and as such, there is no separate reportable segment in accordance with Accounting Standard -17, "Segment Reporting" notified by the Companies (Accounting Standards) Rules, 2006.

24 Related Party Disclosure :

As per Accounting Standard (AS-18) on "Related Party Disclosure" notified by the Companies (Accounting Standards) Rules, 2006, the disclosures of transactions with the related parties are as given below:

a) Ultimate Holding company

Reliance Capital Limited

b) Holding company

Reliance Capital Asset Management Limited

c) Subsidiary of Holding Company

Reliance Asset Management (Mauritius) Limited
 Reliance Asset Management (Singapore) Pte Limited
 Reliance Capital Asset Management (UK) Plc
 Reliance AIF Management Company Limited

d) Key Management Personnel (KMP)

Mr. Gurbeer Singh Chopra - Chief Executive Officer
 Mr. Manish Shah - Manager
 Mr. Dinesh Kottian - Chief Financial Officer
 Ms. Hemali Rajeev Mehta - Company Secretary

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

e) Fellow Subsidiaries

Reliance Capital Trustee Co. Limited
 Reliance General Insurance Company Limited
 Reliance Gilts Limited
 Reliance Money Express Limited
 Reliance Money Precious Metals Private Limited
 Reliance Home Finance Limited
 Reliance Securities Limited
 Reliance Commodities Limited
 Reliance Financial Limited
 Reliance Wealth Management Limited
 Reliance Money Solutions Private Limited
 Reliance Exchangenext Limited
 Reliance Spot Exchange Infrastructure Limited
 Reliance Capital AIF Trustee Company Private Limited
 Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)
 Quant Capital Private Limited
 Quant Broking Private Limited
 Quant Securities Private Limited
 Quant Commodity Broking Private Limited
 Quant Capital Finance and Investments Private Limited
 Quant Investments Services Private Limited

List of related parties with whom transactions have taken place and relationships

Transaction With Related Parties :-

| Particulars | (Rupees) | |
|---|-------------|-------------|
| | 2015-16 | 2014-15 |
| <u>Holding Company</u> | | |
| <u>Share Capital</u> | | |
| Balance as at March 31, 2016 | 162,500,000 | 162,500,000 |
| <u>Expenditures</u> | | |
| Rent paid | 522,496 | 456,272 |
| <u>Fellow Subsidiary - Reliance Gilts Limited</u> | | |
| Equity Share Capital Balance as at March 31, 2016 | 87,500,000 | 87,500,000 |
| <u>Fellow Subsidiary - Reliance General Insurance Co. Limited</u> | | |
| Advance Paid during the year | 115,166 | 44,376 |
| Advance outstanding as at March 31, 2016 | 115,166 | 154,376 |
| <u>Key Managerial Personnel</u> | | |
| <u>Managerial Remuneration Paid (Including Reimbursements of Expenses)</u> | | |
| Mr. Gurbeer Singh Chopra | 9,201,619 | 7,195,033 |
| Mr. Manish Shah | 2,415,000 | 2,132,352 |
| Mr. Dinesh Kotian | 882,731 | 765,732 |
| Ms. Hemali Rajeev Mehta | 745,890 | 618,449 |

Note:

1. Expenses incurred towards public utilities services such as Insurance, telephone and electricity charges have not been considered for related party transaction.

RELIANCE CAPITAL PENSION FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

25 Basic and Diluted Earnings Per Share

For the purpose of calculation of Basic / Diluted Earnings Per Share the following amounts are considered:

| | | (Rupees) | |
|----|---|------------|------------|
| | Particulars | 2015-16 | 2014-15 |
| a) | Amounts used as the numerators | | |
| | Net Profit/(Loss) After Tax | 188,733 | 1,474,751 |
| | Net Profit/(Loss) available for equity shareholders | 188,733 | 1,474,751 |
| b) | Amounts used as the Denominators | | |
| | Weighted average number of equity shares (Nos.) | 25,000,000 | 25,000,000 |
| c) | Basic & Diluted Earnings/(Loss) Per Share of Rs. 10 each (a/b) | 0.01 | 0.06 |

26 Contingent Liability & Commitments (As Certified by the Management)

| Particulars | As at | As at |
|----------------------|---------------|---------------|
| | 31 March 2016 | 31 March 2015 |
| Contingent Liability | | |
| Bank Guarantees | 1,000,000 | 1,000,000 |

27 Previous year's figures have been regrouped / restated where necessary, to confirm to the presentation of current year's financial statements.

As per our report of even date

For and on behalf of the Board

For Pathak H.D & Associates
Chartered Accountants
Firm Registration No. 107783W

Sundeep Sikka
(Director)

V. K. Chopra
(Director)

Vishal D. Shah
Partner
Membership No. 119303

Gurbir Singh Chopra
(Chief Executive Officer)

Dinesh Kotian
(Chief Financial Officer)

Hemali Mehta
(Company Secretary)

Manish Shah
(Manager)

Mumbai
Date: 16 April 2016

Mumbai
Date: 16 April 2016