

**SBI Pension Funds Pvt. Ltd.
Sixth Annual Report
2013 - 2014**

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Board of Directors*			
1.	Smt. Arundhati Bhattacharya	-	Chairman
2.	Dr. T. T. Ram Mohan	-	Director
3.	Dr. (Ms.) Susan Thomas	-	Director
4.	Shri. Mayur Kisnadwala	-	Director
5.	Shri. V. K. Gupta	-	Director
6.	Shri S. Sankara Prasad	-	Managing Director & CEO

* as on 11-08-2014

Regd. Office :

SBI Pension Funds Private Limited

No. 32, 3rd Floor,
Maker Chamber-III, Nariman Point,
Mumbai - 400 021.

Tel.: 022-2202812 / 3887

Fax : 022-22020576 / 4318

e-mail : cs@sbipensionfunds.com

Web : www.sbipensionfunds.com



SBI PENSION FUNDS PVT LTD
Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Sixth Annual Report together with the audited accounts of the Company for the year ended March 31, 2014.

Financial Performance:-

The highlights of the financial results of your Company for the accounting year ended March 31, 2014 are as under

(Rs. In lacs)

Description	Year ended March 31, 2014	Year ended March 31, 2013
Operating Income	493.94	87.54
Expenses	363.71	399.13
Operating Profit / (Loss)	130.23	(311.59)
Other Income	250.11	202.79
Profit / (Loss) before tax	380.34	(108.80)
Provision for Tax (including deferred tax)	121.01	34.74
Profit / (Loss) after tax	259.33	(74.07)
Balance brought forward from Previous Year	(100.14)	(26.07)
Balance carried to Balance Sheet	159.19	(100.14)

Capital Adequacy:-

The Regulators, the Pension Fund Development Authority (PFRDA), have not prescribed any Capital Adequacy Ratio for the Pension Fund Industry. However, w.e.f. 01.11.2012, Pension Fund Managers are required to maintain minimum positive Net Worth of Rs. 25 crores. The Net Worth of your Company as on 31 March 2014 stood at Rs 31.59 crores.

Capital:-

The authorised share capital of the Company is Rs.100 Crores. The paid up capital of the Company as on March 31, 2014 stood at Rs.30 crores comprising of 3 crores equity shares of Rs.10/- each fully paid. The shareholding pattern is as under:-

Name of Shareholder	% of Holding
State Bank of India	60%
SBI Funds Management Pvt. Ltd.	20%
SBI Capital Markets Ltd.	20%

Dividend:-

The Company has posted a Profit After Tax of Rs. 2.59 Crores for the year ended March 31, 2014. Considering the future requirement of the capital of the Company, your Board has not proposed any dividend for the year.



Business Environment :-

Global

The global economic environment witnessed gradual improvement, particularly in US and Europe - despite partial reversal of easy monetary policy.

While macroeconomic data for the US showed some positive signs, the US Fed expects economic conditions to remain uncertain and recovery to be gradual. US GDP Growth for CY13 recovered to 2.5% (average of 3.25% during 2HCY13 against 1.8% during 1HCY13) from 1.8% in CY12. Europe came out of recession during first half of CY13, with GDP growth of 0.3% during 4th quarter. On contrary, the emerging markets are witnessing slowdown due to slowing of external trade, weak domestic demand and muted commodity prices for commodity exporting countries. The easy monetary policy has created an environment of asset price inflation globally in equity (largely in developed markets) and select bond markets. However, commodity prices remain muted/declining indicating that the underlying demand environment remains challenging, mainly in large commodity consuming countries like China.

Geo-political issues continue to resurrect in ME/Africa and Russia recently - a risk to oil prices. Easy monetary policies have helped the world to come out of recession with modest recovery in CY13 (in developed world). However, the world at large remains in de-leveraging mode and reaction to removal of monetary stimulus gradually might hinder the recovery witnessed during FY14.

Domestic :-

Growth

Domestic growth remained weak with declining investment and consumption demand across sectors. Leveraged balance sheets, weak demand and policy issues continue to plague revival of the investment cycle. GDP growth remained muted for almost two consecutive years now (below 5%) - with GDP print of 4.6% for 9MFY14, reflecting slowdown in industrial activity and also, the services sector which accounts for 55% of GDP. The index of industrial production (IIP) growth remained muted at nil during 2013-14 (April-January) from 1% in the corresponding period a year ago and 8.30% in 2011-2012. As per the Central Statistical Office, GDP growth for FY 2013-14 is estimated at 4.9%. Growth outlook would greatly hinge upon the election outcome for 2014-15.

Inflation

Inflation in India continues to be the outcome of a complex mix of cost push (bottlenecks in core sectors like energy, manufacturing, infra) and demand pull (inability of Government to rein in expenditure without corresponding supply side reforms).



Headline CPI Inflation remained sticky through 2013-14 with average for April-Feb 2014 at 9.6% driven by 1) fuel cost pass through aggravated by currency depreciation, 2) erratic and high food prices driven by supply constraints, higher MSP etc. 3) high core CPI driven by housing, healthcare, education etc. Average WPI inflation during April - Feb 2014 stood at 5.9% as against 7.5% during the corresponding period of the previous year. We expect global commodity prices to remain favourable in the coming fiscal, thus limiting the pressure from commodities on inflation.

Fiscal Situation

Fiscal conditions improved during FY14 with key deficit indicators remaining along expected lines. While divestment revenues are short of expectations, control on plan expenditure is expected to keep the fiscal deficit close/lower to budget estimates of 4.8%. The fiscal deficit for FY15 is budgeted at 4.1%, a challenging target.

Market Conditions

Equity

Equity markets remained volatile through the year driven by domestic and global factors. The markets saw sell-off during Q2 FY14 on account of Fed taper related anxieties (for countries like India who were running large CAD), to recover during the next two quarters driven by correction of CAD and built up of stable election outcome expectations (FII inflows of US\$13 bn during FY14).

We were conservative through the financial year given our cautious outlook on earnings (equity portfolio was in the range of 6.5 - 7.5% through the year). The Nifty delivered 18% during FY14. Going forward, we remain cautiously optimistic. We are optimistic given the expectation of stable and pro-growth political set-up, which might encourage revival of investments. At the same time we are cautious given our bottom-up expectation that the economy remains challenged and corporate earnings would grow only gradually, unlike drastic growth expectations in market.

Bonds

To prop-up growth and in conjunction with moderating inflationary expectations, RBI started the fiscal with an interest rate cut of 25 bps. Later in Q2 FY14, due to extra ordinary depreciation of currency and increasing inflation put pressure on rate and RBI has to increase Repo Rate in three tranche of 25 bps each to 8%. This along with sticky CPI inflation kept RBI monetary stance slightly hawkish. RBI continued tight liquidity conditions giving liquidity only through term repo instead of OMO etc. This resulted in interest rate remaining elevated throughout the financial year. The 10-year benchmark yield closed at 8.80% after having moved in the broad range of 8.40% - 8.90% during the fiscal. Going forward we expect interest rate market to remain range bond on the back of large Government borrowing and inflation targeting by RBI.



Company Performance :-

- The Company closed the fiscal with AUM of Rs.18,624 crores representing a growth of 58% over the previous fiscal, to retain lead position amongst Pension Fund Managers (8 Nos) in terms of market share - 36 % of total AUM for the Government Sector and 73 % of total AUM for the Private Sector.
- In terms of NAV return since inception, the Company maintained its position in 3 out of 6 NPS Schemes during the year. The Company however slipped in ranking in the other 3 schemes due to relatively high duration of the portfolio.
- Comparative ranking amongst PFMs in the various NPS Schemes is set out below:-

a. YTD returns :

Pension Scheme		Comparative Ranking as on	
		31.03.2013	31.03.2014
Government Sector	Central Govt.	1	3
	State Govt.	2	3
Private Sector	Tier I	4	7
	Tier II	5	5
	NPS Lite	2	4
	Corp CG	1	2

b. Since Inception CAGR

Pension Scheme		Comparative Ranking as on	
		31.03.2013	31.03.2014
Government Sector	Central Govt.	1	1
	State Govt.	3	3
Private Sector	Tier I	3	5
	Tier II	1	2
	NPS Lite	1	1
	Corp CG	1	2

Business Strategy and Outlook:-

With implementation of the new guidelines for PFMs under Private Sector - 2012 by PFRDA effective from 20.03.2013, the PFMs were permitted to charge investment management fee (IMF) under Private Sector NPS schemes (excluding NPS Lite) subject to a cap of 0.25% p.a. Accordingly, the Company has been levying IMF @ 0.25% for NPS Main (Tier I & II) and @ 0.20% for Corporate CG Scheme. Whereas, the IMF is levied at 0.0102% p.a. (w.e.f. 18.04.2012) for Government Sector and NPS Lite schemes as mandated by PFRDA.

PFRDA has since re-initiated the process of selection of PFMs under NPS for Private Sector by reverting to old system of inviting technical and commercial bids from the existing



PFMs as well as new players with the last date for filing bids being 14.02.2014. The revised process, tentative bid opening date being 16.04.2014, would herald few changes in PFMs and possible downward revision in IMF for private sector NPS. The regulated IMF with a cap of 0.25% will be replaced by the lowest bid IMF, which will become uniform across all the PFM under Private Sector. While the Company welcomes the competitive environment under the revised process, it is bit apprehensive about the impact of revised IMF on its' fee income.

During the year the fresh inflow of Rs. 4,885 Cr coupled with accruals and net of appreciation on account of market valuation took the total AUM under Government Sector NPS to Rs. 15,912 Cr with a market share of 36 %. Under the Private Sector NPS (including NPS Lite), the fresh inflows of Rs. 1,401 Cr., accruals and net of appreciation took the AUM to Rs. 2,712 Cr with a market share of 73 %. Overall the Company recorded a growth of 58% in its' AUM during the year, which increased from Rs.11,788 Cr to Rs. 18,624 Cr.

Recognition & Awards :-

During the fiscal, your Company was adjudged “Pension Fund of the Year” for excellence in performance and customer service (to subscribers) at the Indian Pension Fund Congress - 2013. The Company was also the recipient of the “SKOCH - Renaissance Award 2013 - Pensions category”.

Risk Management:-

In terms of the provision of Section 134 (3) (n), the Risk Management framework covers key risks faced by the Company in its business viz. Market, Credit, and Operational Risk. A comprehensive Board approved Risk Management Policy aligned to the SBI Group Risk Management Policy is in place. The Mid-Office is entrusted with the risk management function, which is independent of Front and Back Office functions and reports directly to the MD & CEO. Risk profiles are monitored daily by the Mid-Office. Board level oversight is exercised through the Risk Management Committee of the Board which oversees risk management operations and policy formulation.

Directors :-

Presently there are seven (7) Directors on the Board of your Company. During the year under review, three (3) Nominee Director from State Bank of India were appointed and two (2) Nominee Director resigned as under:-

- Shri Pratip Chaudhuri resigned from Directorship on 30.09.2013 on demitting the office of the Chairman, State Bank of India. Smt Arundhati Bhattacharya, on assuming office of the Chairman, State Bank of India, was appointed as Director and Chairman of the Board w.e.f 07.10.2013 vide article 104A of the Articles of Association of the Company.
- Shri S. Vishvanathan, Managing Director & GE (A&S) with State Bank of India, was nominated as Director.



- Shri V.K. Gupta, was appointed as Additional Director on 04.09.2012 and was elected as Director at the Fifth Annual General Meeting held on 15.07.2013.
- Consequent upon the vacation of the office of Managing Director & CEO by Shri. Biswajit Mohanty as at the close of the business of 28.02.2014, Shri Soma Sankara Prasad was appointed as Managing Director & CEO of the Company for a period of 2 years commencing from 28.02.2014.
- Dr. T.T. Ram Mohan, Shri Mayur Kisnadwala, Shri V.K. Gupta and Dr. (Ms) Susan Thomas, Independent Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Board Meetings

Six (6) meetings of the Board were held during the year on 16.04.2013, 15.07.2013, 24.08. 2013, 15.10.2013, 20.01.2014 and 24.02.2014.

Corporate Governance

As part of good corporate governance, your Company endeavours to effectively manage the business and enhance long-term interests of various stakeholders. In pursuance of these objectives, the Board actively monitors the Company's operations and exercises fiduciary responsibilities with utmost commitment to enhance transparency, disclosures and adherence to core values. To ensure that internal controls & monitoring systems are adequate and commensurate to the level of activity, the Company's operations are also under ongoing review by external auditors.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (3) (c) & Section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any,
- (ii) the Director had selected such accounting policies & applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2014 and of the profit of the Company for that period.
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the annual accounts have been prepared on a going concern basis for FY 2013-14.
- (v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



Statutory Information :-

There being no employees covered by the provisions of the Section 134 (3) of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975, no statement containing such particulars is annexed to the report.

The primary objective of the Company is to carry on the business of Pension Fund management and there are no particulars to be disclosed regarding conservation of energy, technology upgradation and foreign exchange earnings & outgo as per Section 134 (3) (m) of the Companies Act, 2013.

Public Deposits :-

During the year ended 31 March 2014, the Company had not accepted any public deposits within the meaning of the provisions of the Non-Banking Financial Companies-Reserve Bank of India Directions 1998, vide notification no. DFC 118/DG (SPT)-98 dated January 31, 1998.

Auditors :-

M/s S. G. Salecha & Co., Chartered Accountants were appointed as Statutory Auditors of the Company for FY 2013-14 by the Comptroller and Auditor General of India (CAG) and hold office till the conclusion of the AGM.

Audit Committee :-

In terms of the provisions of Section 177 of the Companies Act, 2013 , your Company has in place an Audit committee of the Board comprising three Independent Directors, as under :-

- | | | | |
|------|---|---|----------|
| i. | Shri Mayur Kisnadwala, Independent Director | - | Chairman |
| ii. | Dr. T.T. Ram Mohan, Independent Director | - | Member |
| iii. | Shri V. K. Gupta, Independent Director | - | Member |

During FY 2013-14, meetings of the Audit Committee were held on 15.04.2013, 13.07.2013, 15.10.2013 and 18.01.2014.

Acknowledgments :-

Your Directors thank the Pension Fund Regulatory and Development Authority (PFRDA), Trustees of the NPS Trust, various NPS intermediaries viz: - National Securities Depository Limited, Bank of India, Axis Bank, Stock Holding Corporation of India Limited and other stakeholders for their wholehearted and continued support. Your Directors also place on record their thanks to the State Bank of India for their support in managing the affairs of the Company. The Board also takes this opportunity to place on record its appreciation of the sincere efforts put in by the employees of the Company and their commendable teamwork and enthusiasm. Your Directors look forward to the continued support of shareholders & employees in achieving superior performance and maintaining leadership position amongst Pension Fund Managers in future.

For and on behalf of the Board

Place : Mumbai
Dated : 22.04.2014

(Arundhati Bhattacharya)
CHAIRMAN



Auditor's Report

Auditor's Report to the Members of SBI PENSION FUNDS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of SBI PENSION FUNDS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 judgement, 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, 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.

Opinion

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



to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S. G. SALECHA & Co.
Chartered Accountants
F.R. No. 108986W

Place : Mumbai,
Dated : 17th April, 2014

DHARAMRAJ D. SINGH
Partner
M.No. 146179



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- 4(i)(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed and represented to us, fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the period thereby affecting the going concern.
- 4(ii) The Company is investment manager of pension corpus regulated by **Pension Fund Regulatory and Development Authority (PFRDA)** under **National Pension system (NPS)**. Hence, Paragraph 4(ii) of the Order, is not applicable.
- 4(iii) The Company during the period has neither granted nor taken loans secured or unsecured from companies, firms, or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore Section 4(iii) is not applicable.
- 4(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets. During the year, there was no Sale of Services. Provisions in respect of adequate controls referred in clause 4(iv) of the order relating to purchase of Inventories and sale of goods as company is service oriented company. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- 4(v) According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore Section 4(v) is not applicable.
- 4(vi) In our opinion and according to information and explanations given to us, the Company has not accepted deposits from the Director and public within the meaning of section 58A of the Companies Act, 1956 and the rules framed there under are not applicable.
- 4(vii) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business.



- 4(viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the Company.
- 4(ix)(a) According to information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax and other material statutory dues applicable to it which are outstanding for more than Six months from the date they become payable as of 31st March 2014.
- (b) According to the records of the Company, there was no disputed statutory dues that have not been deposited on account of the matters pending before appropriate authorities.
- 4(x) The accumulated losses of the Company as on 31st March 2013 was 1.08 crore (before tax). Profit made during the year is 3.80 crore (before tax). Losses of the past years has been adjusted against the profit of the current year. The Company has not incurred cash losses during the financial year ended 31st March 2014.
- 4(xi) According to the information and explanations given to us, the Company has not defaulted in any repayment of dues to any financial Institution or bank, as applicable, as at the Balance Sheet date.
- 4(xii) As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore Paragraph 4(xii) of the said Order relating to maintenance of documents and records is not applicable.
- 4(xiii) The Company is not a Chit Fund / Nidhi / Mutual Benefit Fund/Societies. Therefore, the provisions of clause 4(xiii) are not applicable to the company.
- 4(xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in securities.
- 4(xv) According to the information and explanations given to us, the Company has not given guarantees, Loan taken by others from bank or financial institutions and thus clause 4(xv) is not applicable.
- 4(xvi) The Company has not taken any term loans and therefore clause 4(xvi) of the order is not applicable.
- 4(xvii) According to the information and explanations given to us, the Company has not raised any funds, short-term or long-term, during the period and therefore Clause 4(xvii) of the said Order relating to usage of such funds is not applicable.
- 4(xviii) According to the information and explanations given to us, during the year the Company has not made any preferential allotment of shares to parties and



companies covered in the register maintained under section 301 of the Companies Act, 1956.

- 4(xix) According to the information and explanations given to us, during the year covered by our audit report, the Company has not issued any debentures.
- 4(xx) According to the information and explanations given to us, the Company has not made any public issue during the period and accordingly Paragraph 4(xx) of the said Order relating to end use of money raised is not applicable.
- 4(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. G. SALECHA & Co.
Chartered Accountants
F.R. No. 108986W

Place : Mumbai,
Dated : 17th April, 2014

DHARAMRAJ D. SINGH
Partner
M. No. 146179



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF SBI PENSION FUNDS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2014

The preparation of financial statements of SBI Pension Funds Private Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 17 April 2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of SBI Pension Funds Private Limited for the year ended 31 March 2014. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under section 619 (4) of the Companies Act, 1956.

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



(V. N. Thakare)
Principal Director of Commercial Audit
and ex-officio Member, Audit Board-I,

Place : Mumbai

Date : 23 May 2014



Balance Sheet as at 31st March, 2014

Particulars		Current Year 31-Mar-14 (Rs.)		Previous Year 31-Mar-13 (Rs.)	
I. Equity and Liabilities					
(1) Shareholders' Funds					
(a) Share Capital	2.1	300,000,000		300,000,000	
(b) Reserves and Surplus	2.2	15,918,826	315,918,826	(10,013,521)	289,986,479
(2) Current liabilities					
(a) Short-term borrowings		-			
(b) Trade Payables		-			
(a) Other current liabilities	2.3	1,369,019		(2,533,654)	
(b) Short-term provisions	2.4	9,539,297	10,908,316	2,313,112	(220,542)
TOTAL			326,827,142		289,765,937
II. Assets					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	2.5	2,570,713		2,766,092	
(ii) Intangible assets	2.6	29,798		27,962	
(b) Deferred tax assets (net)	2.7	1,353,366		6,155,786	
(c) Long-term loans and advances	2.8	7,353,260		2,732,331	
(d) Other non-current assets	2.9	232,000,000	243,307,137	53,000,000	64,682,171
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(b) Trade receivables		16,112,243		3,713,441	
(c) Cash and cash equivalents		56,296,241		208,564,654	
(d) Short-term loans and advances		330,677		208,573	
(e) Other current assets		10,780,844	8,3520,005	12,597,098	225,083,766
TOTAL			326,827,142		289,765,937
Summary of significant accounting policies	1				
The accompanying notes are an integral part of the financial statements					

As per our report of even date

For S. G. Salecha & Co.,
Chartered Accountants
Firm Regn. 108986W

Dharamraj D. Singh
Partner
Membership No. 146179
Palce : Mumbai,
Dated : 17th April, 2014

For and on behalf of the Board of Directors

Arundhati Bhattacharya
Chairman

Hardik Chauhan
Company Secretary

Soma Sankara Prasad
Managing Director & CEO



Profit & Loss statement for the year ended 31st March, 2014

Particulars	Note No.	Year ended 31-Mar-14 (Rs.)	Year ended 31-Mar-13 (Rs.)
I. Revenue from operations	2.14	49,393,881	8,753,735
II. Other Income	2.15	25,010,511	20,278,950
III. Total Revenue (I+II)		74,404,392	29,032,685
IV. Expenses			
Employee benefits expense	2.16	14,478,555	14,813,236
Depreciation and amortization expense	2.17	559,282	635,908
Other expenses	2.18	21,332,918	24,464,058
Total expenses		36,370,755	39,913,202
V. Profit before tax (III - IV)		38,033,637	(10,880,517)
VI. Tax expense			
Current Tax		7,298,870	-
Deferred tax		4,802,420	3,473,820
Earlier year tax		-	(48)
Profit /(Loss) After taxes		25,932,347	(7,406,745)
Balance carried to Balance Sheet		25,932,347	(7,406,745)
Earnings per equity share	2.19		
(1) Basic		0.86	(0.31)
(2) Diluted		0.86	(0.31)
Significant Accounting Policies	13		
Notes to Accounts	14		
Summary of significant accounting policies	1		

As per our report of even date

For S. G. Salecha & Co.,
Chartered Accountants
Firm Regn. 108986W

Dharamraj D. Singh
Partner
Membership No. 146179
Palce : Mumbai,
Dated : 17th April, 2014

For and on behalf of the Board of Directors

Arundhati Bhattacharya
Chairman

Hardik Chauhan
Company Secretary

Soma Sankara Prasad
Managing Director & CEO



Cash flow statement for the year ended 31-Mar-14

Particulars	For the year ended 31-Mar-14 Rupees	For the year ended 31-Mar-13 Rupees
A. Cash flow from operating activities		
Profit / (Loss) before taxation	38,033,637	(10,880,517)
	38,033,637	(10,880,517)
Adjustments for :		
Depreciation	559,282	635,908
Provision for Expenses	-	229,757
Other Income	25,010,511	20,278,950
Net adjustments :	(24,451,229)	(19,413,285)
Operating Profit before working capital changes	13,582,408	(30,293,802)
Increase / Decrease in Trade Receivable	(12,398,802)	(3,576,171)
Increase / Decrease in Loans & Advances	(4,743,033)	660,398
Increase / Decrease in Other Current Assets	1,816,255	1,988
Increase / Decrease in Current Liabilities	3,909,987	215,647
Cash generated from Operations	2,166,815	(32,991,940)
Direct Tax Paid	80,000	366,405
Net cash flow from operating activities	2,086,815	(33,358,345)
B. Cash flow from investing activities		
Interest Received	24,913,334	16,358,401
Decrease/Increase in Fixed Deposits	(26,799,823)	(98,300,453)
Investment in Mutual Fund	-	-
Purchase of Fixed Assets	(365,739)	(537,859)
Other Income	97,177	18,883,143
Net cash used in investing activities	(2,155,051)	(63,596,768)
C. Cash flow from financing activities		
Issue of Equity shares	-	100,000,000
Net cash generated from financing activities	-	100,000,000
Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)	(68,236)	3,044,886
Cash and cash equivalents as at the commencement of the year	3,264,201	219,313
Cash and cash equivalents as at the end of the year	3,195,965	3,264,201
Net Increase/(Decrease) as disclosed above	(68,236)	3,044,888

As per our report of even date

For S. G. Salecha & Co.,
Chartered Accountants
Firm Regn. 108986W

Dharamraj D. Singh
Partner
Membership No. 146179
Palce : Mumbai,
Dated : 17th April, 2014

For and on behalf of the Board of Directors

Arundhati Bhattacharya
Chairman

Hardik Chauhan
Company Secretary

Soma Sankara Prasad
Managing Director & CEO



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements have been prepared to comply in all material respect with the mandatory Accounting standards issued by the Institute of Chartered Accountants of India/Accounting Standard Rules 2006, in accordance with Generally Accepted Accounting Policies and as per the provision of the Companies Act, 1956. The financial statements are prepared under the historical cost convention on accrual and going concern basis.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates.

3. Revenue Recognition

(a) Revenue from Operation

Management Fee is recognized at specific rates agreed with the relevant schemes, applied on daily net assets of each scheme, and is in conformity with the regulatory guidelines. The Company presents revenues net of Service Tax in its Profit & Loss Statement.

(b) Other Income

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

4. Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

5. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any.



6. Depreciation and Amortization

Depreciation is provided on a pro-rata basis on the written down value method at the rates and in the manner prescribed in Schedule XIV of Companies Act, 1956.

Depreciation for assets purchased / sold during a period is proportionately charged. Proportionate depreciation is charged for addition / deletion during the period.

Individual Assets costing Rs.5000 or less are fully expensed during the year.

Intangible Assets are amortized over a period of 3 years on straight line method.

7. Impairment of Assets

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of the assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair market value of the asset.

8. Employee Benefits

- a. Provident fund is a defined contribution scheme and the contributions as required by the statute paid to Government Provident Fund are charged to profit and loss account.
- b. Liabilities on account of the provision of Gratuity, of officer on deputation from State Bank of India are made by State Bank of India.
- c. Salary, allowances and other perquisites paid to the officers on deputation from State Bank of India (SBI) are reimbursed to SBI on actual basis. Additionally, 30 % of officers' salary towards Bank's contribution to SBI Employees' Provident Fund, SBI Employees' Pension Fund and Employees' Gratuity Fund are also reimbursed to SBI.

9. Foreign Currency Transactions

- a. Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transactions.
- b. Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the exchange rates as at the last day of the year.



- c. Any gains or losses on account of exchange difference either on settlement or translation are recognized in Profit and Loss Account.

10. Income Tax

Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between accounting and taxable income and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.

11. Provisions

A provision is recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

12. Contingent Liabilities

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities.

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where 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.



13. Cash Flow Statement

Cash Flows are reported using the indirect method whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

14. Investments

Investments classified as long term investments are carried in the financial statement at cost, however the provision for diminution shall be made to recognize a decline other than temporary in the value of investments such reduction being determined and made for each investment individually.

NOTES FORMING PART OF ACCOUNTS

The Company is a Private Limited Company within the meaning of Section 3(1) (iii) of the Companies Act 1956 and is a subsidiary of State Bank of India. Accordingly, it has complied with all the Accounting Standards applicable to a Non-SMC as defined under the Accounting Standards issued by the Institute of Chartered Accountants of India.

2.1 SHARE CAPITAL :

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Authorised		
Equity Shares of ₹. 10/- each.		
10,00,00,000 Equity Shares	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-Up		
Equity shares, ₹.10/- par value fully paid.	300,000,000	300,000,000
3,00,00,000 Equity Shares		
	300,000,000	300,000,000

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

18,000,000 Equity Shares of the issued share capital are held by the State Bank of India.



The details of shareholder holding 5% or more shares as at March 31, 2014 are set out below:

Name of Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
State Bank of India	18,000,000	60%	18,000,000	60%
SBI Funds Management Pvt. Ltd	6,000,000	20%	6,000,000	20%
SBI Capital Markets Ltd.	6,000,000	20%	6,000,000	20%
Total	30,000,000	100%	30,000,000	100%

Reconciliation of the number of shares outstanding

Particulars	As At	
	March 31, 2014	March 31, 2013
Number of shares at the beginning	30,000,000	20,000,000
Add: Shares issued	-	10,000,000
Less: Shares bought back during the year	-	-
Number of shares at the end	30,000,000	30,000,000

2.2 RESERVES AND SURPLUS

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Surplus		
Opening balance	(10,013,521)	(2,606,777)
(+) Net Profit/(Net Loss) For the current year	25,932,347	(7,406,744)
Closing Balance	15,918,826	(10,013,521)

2.3 OTHER CURRENT LIABILITIES

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Service Tax Payable	1,193,835	(2,905,136)
Other Payable	175,184	371,482
Total	1,369,019	(2,533,654)

2.4 SHORT TERM PROVISIONS

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Provision for Income Tax	7,298,870	80,000
Provision for Expenses	1,523,665	1,353,781
Provision For Employment Benefit	716,762	879,331
Total	9,539,297	2,313,112



2.5 Tangible Assets

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01-04-2013	Addition during the year	Deduction during the year	As at 31-03-2014	As at 01-04-2013	For the year	Deduction during the year	Up to 31-03-2014	As at 31-03-2014	As at 31-03-2013
1	Computers	1,541,524	67,205	-	1,608,729	1,117,986	175,808	-	1,293,794	314,935	423,538
2	Furniture	2,332,326	36,800	-	2,369,126	1,320,381	185,200	-	1,505,581	863,545	1,011,945
3	Office Equipments	960,617	249,639	-	1,210,256	383,568	83,195	-	466,763	743,493	577,049
4	Plant & Machinery	648,908	-	-	648,908	321,939	45,481	-	367,420	281,488	326,969
5	Electrical Installations	870,252	-	-	870,252	443,661	59,339	-	503,000	367,252	426,591
	TOTAL (A+B)	6,353,627	353,644	-	6,707,271	3,587,535	549,023	-	4,136,558	2,570,713	2,766,092
	Previous Year	5,852,568	501,059	-	6,353,627	2,960,465	627,070	-	3,587,535	2,766,092	2,892,103

2.6 Intangible assets

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01-04-2013	Addition during the year	Deduction during the year	As at 31-03-2014	As at 01-04-2013	For the year	Deduction during the year	Up to 31-03-2014	As at 31-03-2014	As at 31-03-2013
1	Software	1,236,800	12,095	-	1,248,895	1,208,838	10,259	-	1,219,097	29,798	27,962
	TOTAL (A+B)	1,236,800	12,095	-	1,248,895	1,208,838	10,259	-	1,219,097	29,798	27,962
	Previous Year	1,200,000	36,800	-	1,236,800	1,200,000	8,838	-	1,208,838	27,962	-

2.7 DISCLOSURE OF DEFERRED TAX

As per the Accounting Standard 22 - 'Accounting for Taxes on Income' issued by ICAI, the Deferred Tax Assets / (Liability) comprise the following:

In ₹

Particulars	As At	
	March 31 st 2014	March 31 st 2013
Deferred Tax liability	(38,974)	(31,164)
Fixed assets: Impact of differences between tax depreciation and depreciation/amortization charge for the financial reporting		
Gross Deferred Tax Liability	(38,974)	(31,164)
Deferred Tax Asset		
Unabsorbed Depreciation	1,314,392	6,124,622
Preliminary Expenses	-	-
Gross Deferred Tax Asset	1,314,392	6,124,622
Net Deferred Tax Asset / (Liability)	1,353,366	6,155,786

2.8 LOANS AND ADVANCES

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Security Deposits :-		
Rent Deposit	1,050,000	910,000
Others:-		
Advance Income Tax	6,303,260	1,822,331
Fringe Benefit Tax	-	-
Total	7,353,260	2,732,331

2.9 OTHER NON-CURRENT ASSETS

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Deposit with Bank maturity more than 12 months	232,000,000	53,000,000
Total	232,000,000	53,000,000



2.10 TRADE RECEIVABLE

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Debts outstanding for a period exceeding six months		
Other debts		
Considered good	16,112,243	3,713,441
Total	16,112,243	3,713,441

2.11 CASH & BANK BALANCE

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Cash and Cash Equivalents		
Balances with banks In current Account	3,195,965	3,264,201
In Deposit accounts (Maturity less than 3 months)	1,000,000	10,500,000
Other Bank balance		
In Deposit Accounts (Maturity more than 3 months but less than 12 months)	52,100,276	194,800,453
Total	56,296,241	208,564,654

2.12 SHORT-TERM LOANS AND ADVANCES

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Prepaid Expenses	330,677	208,573
Total	330,677	208,573

2.13 OTHER CURRENT ASSETS

In ₹

Particulars	As At	
	March 31, 2014	March 31, 2013
Other Receivable	-	23,012
Interest Accrued	10,780,844	12,574,086
Total	10,780,844	12,597,098

2.14 REVENUE FROM OPERATIONS

In ₹

Particulars	For the Year Ended	
	March 31, 2014	March 31, 2013
Management fees	49,393,881	8,753,735
Total	49,393,881	8,753,735



2.15 OTHER INCOME

In ₹

Particulars	For the Year Ended	
	March 31, 2014	March 31, 2013
Interest on Fixed Deposits	24,826,098	19,254,428
Interest on Income Tax Refund	87,236	151,142
Net Gain on Sale of Current Investments	-	873,380
Others	97,177	-
Total	25,010,511	20,278,950

2.16 EMPLOYMENT BENEFIT EXPENSES

In ₹

Particulars	For the Year Ended	
	March 31, 2014	March 31, 2013
Salaries, Wages, Allowances and Reimbursements	12,830,972	13,390,882
Contribution to Provident Fund and terminal benefits	951,683	1,105,154
Staff Welfare	695,900	317,200
Total	14,478,555	14,813,236

2.17 DEPRECIATION AND AMORTIZATION EXPENSES

In ₹

Particulars	For the Year Ended	
	March 31, 2014	March 31, 2013
Depreciation of tangible Assets	549,023	627,070
Amortisation of Intangible Assets	10,259	8,838
Total	559,282	635,908



2.18 OTHER EXPENSES

In ₹

Particulars	For the Year Ended	
	March 31, 2014	March 31, 2013
Advertisement Expenses	300,000	119,780
Annual Fee - PFRDA	2,500,000	8,500,000
Auditors Remuneration (Refer Details below)	50,000	50,000
AMC	491,117	215,943
Brokerage (NPS)	2,733,852	2,873,281
Bank Charges	16,458	8,930
Books and Periodicals	46,946	42,952
Brokerage and Commission	39,267	-
Sitting Fees	530,000	372,500
Electricity Expenses	785,109	918,438
Entertainment Expenses	259,555	16,456
Halting Expenses	141,883	223,515
I T Expenses	261,250	265,649
Insurance Charges	27,919	22,538
News Wire	1,378,245	915,066
Internet & Connectivity Charges	39,633	30,078
Interest on late payment of Taxes	16,938	226
Office Expenses	750,959	480,204
Printing, Stationary & Consumables	582,187	413,668
Postage Expenses	53,157	16,344
Professional Tax	12,500	-
Legal and Professional fees	1,898,144	2,458,652
Rent	3,456,000	3,456,000
Repairs & Maintenance	72,892	169,946
Stamp Charges	2,280	100,220
Telephone & Mobile Expenses	221,863	153,446
Traveling and Conveyance	3,906,603	2,194,751
Training Expenses	292,996	13,360
Miscellaneous Expenses	465,165	432,116
Total	21,332,918	24,464,058



AUDITORS' REMUNERATION

In ₹

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
Statutory Audit Fees	50,000	50,000
Total	50,000	50,000

2.19 EARNINGS PER SHARE (EPS).

Particulars		Period ended 31.03.2014	Period ended 31.03.2013
Net Profit / (Loss) Attributable to Equity Shareholders (₹.)	A	25,932,347	(7,406,744)
Weighted Average Number of Equity Shares for Basic and Diluted EPS (Nos.)	B	30,000,000	24,082,192
Face Value Per Equity Share (₹.)	C	10	10
Basic and Diluted Earnings / (Loss) per Share (₹.)	D = A/B	0.8644	(0.3076)

3. LEASES

Disclosure as required by Accounting Standard - 19, 'Leases', issued by the Institute of Chartered Accountants of India :

The Company has taken office premises & residential premises for employees under operating lease / leave and licence basis. These are generally cancellable by giving prior notice and for tenure of two to three years and are renewable by mutual consent on mutually agreeable terms.

Lease payments are recognized in the Profit and Loss Account under 'Rent Rates and Taxes' in Note 2.18.

The future minimum lease payments under cancellable operating lease

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
Within One year	1,153,000	13,98,000
After One Year But not more than five Years	453,500	14,12,500
More than five years	Nil	Nil
Total	16,06,500	2,810,500



4. QUANTITATIVE DETAILS

The Company is primarily engaged in rendering services in the nature of management of Pension Fund under NPS and hence it is not required to give any quantitative details as per Revised Schedule VI to the Companies Act, 1956.

5. CAPITAL COMMITMENTS

The Company does not have any outstanding capital commitment for any Fixed Assets as on 31.03.2014.

6. CONTINGENT LIABILITIES TO THE EXTENT NOT PROVIDED FOR

In ₹

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
Performance Bank Guarantee favoring PFRDA. (Issued against Fixed Deposit held by the company)	3,000,000	2,000,000
Total	3,000,000	2,000,000

7. RELATED PARTY DISCLOSURES

As per Accounting Standard-18 on Related Party disclosures issued by The Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the said accounting standard is made below:

a. List of related parties:

1. Related Parties :

- State Bank of India
- State Bank of Patiala
- State Bank of Hyderabad
- State Bank of Travancore

2. Fellow Subsidiaries :

- SBI Funds Management Pvt. Ltd.
- SBI Capital Markets Ltd.

3. Key Management Personnel of the Company :

- Shri. Biswajit Mohanty, Managing Director & CEO
- Shri. Soma Sankara Prasad, Managing Director & CEO



b. Transactions with Related Parties

S. No	Particulars	Holding Company	Holding Company	Fellow Subsidiaries	Fellow Subsidiaries	Key Management Personnel	Key Management Personnel
		Previous Year (2012-13)	Current Year (2013-14)	Previous Year (2012-13)	Current Year (2013-14)	Previous Year (2012-13)	Current Year (2013-14)
1	SHARE CAPITAL						
	SBI	180,000,000	180,000,000	Nil	Nil	Nil	Nil
	SBI Funds Management Pvt. Ltd	Nil	Nil	6,00,00,000	6,00,00,000	Nil	Nil
	SBI Capital Markets Ltd.	Nil	Nil	6,00,00,000	6,00,00,000	Nil	Nil
2	DEPOSITS						
	SBI	3,264,201	3,195,965	Nil	Nil	Nil	Nil
	State Bank of Patiala	Nil	Nil	165,300,453	186,500,276	Nil	Nil
	State Bank of Hyderabad	Nil	Nil	69,500,000	84,900,000	Nil	Nil
	State Bank of Travancore	Nil	Nil	23,500,000	13,700,000	Nil	Nil
3	OTHER RECEIVABLES						
	SBI	20,497	Nil	Nil	Nil	Nil	Nil
4	INTEREST RECEIVED						
	SBI	Nil	Nil	Nil	Nil	Nil	Nil
	State Bank of Patiala	Nil	Nil	9,856,088	5,683,493	Nil	Nil
	State Bank of Hyderabad	Nil	Nil	2,181,434	6,691,131	Nil	Nil
	State Bank of Travancore	Nil	Nil	723,641	620,446	Nil	Nil
5	SALARY & OTHER BENEFITS	Nil	Nil	Nil	Nil	1,525,731	1,892,795
6	RENT PAID						
	SBI	34,56,000	34,56,000	Nil	Nil	Nil	Nil

Notes :- The above disclosures are as identified by the management and relied upon by the auditors.



8. Based on the information available with the company, no creditors have been identified as “supplier” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act 2006”

As per our report of even date

For S. G. Salecha & Co.,
Chartered Accountants
Firm Regn. 108986W

Dharamraj D. Singh
Partner
Membership No. 146179
Palce : Mumbai,
Dated : 17th April, 2014

For and on behalf of the Board of Directors

Arundhati Bhattacharya
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