

HDFC Pension Fund Management Limited

Empowering your Tomorrow



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Corporate Information

Board of Directors

Mr Sumit Bose,
Non-Executive Independent Director

Mr Ranjan Mathai,
Non-Executive Independent Director

Mr Prakash Kandpal,
Non-Executive Independent Director
(Appointed w.e.f. April 17, 2024)

Mr M. D. Ranganath,
Non-Executive Independent Director
(Appointed w.e.f. July 10, 2024)

Ms Vibha Padalkar,
Non-Executive Director

Mr Niraj Shah,
Non-Executive Director

Mr Vineet Arora,
Non-Executive Director

Mr Sriram Iyer,
Managing Director & Chief Executive Officer

Chief Financial Officer

Mr Harsh Goenka

Company Secretary & Compliance Officer

Mr Ganesh Ithape

Statutory Auditors

M/s Kalyaniwalla & Mistry LLP (*For Company financials*)
M/s S. Ramanand Aiyar & Co. (*For Scheme financials*)

Registered Office

1st floor, Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi, Mumbai – 400 011
Tel: 022-67516767
Fax: 022-67516737
Email: compliance@hdfcpension.com
Website: www.hdfcpension.com
CIN: U66020MH2011PLC218824

Bankers

HDFC Bank Limited [For Company]
Axis Bank Limited [For Scheme(s) managed under National Pension System & Point of Presence Collection Account]

Directors' Report

TO
THE MEMBERS OF
HDFC PENSION FUND MANAGEMENT LIMITED
 (Formerly known as HDFC Pension Management Company Limited)

Your Directors have pleasure in presenting the 14th Directors' Report of HDFC Pension Fund Management Limited ("HDFC Pension"/"Company") along with the Audited Financial Statements for the financial year ended March 31, 2025.

Financial Performance

The key highlights of the audited financial statements for the year ended March 31, 2025 along with comparative figures for the previous year are tabulated below

(₹ '000)		
Particulars	FY2024-25 (Audited)	FY2023-24 (Audited)
Gross Income	7,58,690	5,03,180
Total Expenses	6,72,841	4,78,992
Profit before Tax	85,849	24,188
Provision for Tax	31,612	6,088
Profit after Tax	54,237	18,100
Balance of Loss from previous years	Nil	Nil
Profit/ (Loss) carried forward to the Balance Sheet	1,36,574	82,336

The above figures are extracted from the Financial Statements prepared in accordance with the accounting principles generally accepted in India ("Indian GAAP") under the historical cost convention on an accrual basis of accounting and in compliance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 and amendments and rules made thereto ("the Act"), to the extent applicable.

Business Review

HDFC Pension continues to be the number one privately owned Pension Fund Manager ("PFM") in India in terms of Assets Under Management ("AUM") and is also one of the fastest growing private sector Pension Fund Manager under the NPS architecture. The AUM of the Company as on March 31, 2025 was ₹ 1,15,627 crore, registering a growth of 50.3% over AUM as of March 31, 2024 with a market share of 43.2% of the total AUM under Corporate and Retail NPS.

Additionally, HDFC Pension continues to demonstrate strong growth in its operation as a Point of Presence ("POP") in both retail and corporate NPS segments and has positioned itself as a scale player in this sector as well. HDFC Pension ranks #1 in terms of cumulative corporate subscribers & corporate relationships and ranks #9 in retail subscriber base amongst 113 POPs. We currently serve over 4.5 lakh NPS subscribers as a POP.

The Scheme wise Assets Under Management is as:

The AUM of ₹ 1,15,627 crore as at March 31, 2025 is managed under the following NPS Schemes:

(₹ in crore)		
Name of Schemes	AUM as on March 31, 2025	AUM as on March 31, 2024
HPFM-E-T-I	51,270.03	36,194.63
HPFM-E-T-II	1,474.72	1,182.69
HPFM-C-T-I	23,048.99	14,330.01
HPFM-C-T-II	541.80	434.02
HPFM-G-T-I	38,091.88	23,927.69
HPFM-G-T-II	836.13	645.01
HPFM-A-T-I	357.95	235.29
HPFM-Tax-T2	5.98	5.33

CHANGE IN NAME OF THE COMPANY & REGISTERED OFFICE OF THE COMPANY

Pursuant to the amendment in PFRDA (Pension Fund) Regulations, 2015, the name of the Company was changed from "HDFC Pension Management Company Limited" to "HDFC Pension Fund Management Limited" effective from September 5, 2024.

Further, with the company moving in to a new office space, the registered office of the Company has been shifted to 1st floor, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi, Mumbai – 400011 within the existing local limits of the city.

KEY REGULATORY CHANGES

During the financial year under review, the Central Government has introduced the Unified Pension Scheme ("UPS") as an option under the National Pension System ("NPS") for Central Government employees effective from April 1, 2025. The UPS provides assured pension pay-out at the time of superannuation based on certain prescribed conditions. The Central Government announced the UPS aiming to provide

Directors' Report

stability, dignity and financial security for government employees post-retirement, ensuring their well-being and a secure future. UPS Subscriber would have an option to choose the pension fund and the investment pattern in accordance with the guidelines issued by the PFRDA.

The government has also introduced NPS Vatsalya scheme which is a contributory pension scheme exclusively for minors with an objective to create a pensioned society, emanating from the vision of "Viksit Bharat@2047", and to encourage parents to start saving for children at an early age and take advantage of the power of compounding. Adoption of NPS Vatsalya has gained traction amongst the masses during the year and your company has also publicised the benefits of this scheme to existing and new subscribers.

NETWORTH

The PFRDA (Pension Fund) Regulations, 2015, requires Pension Fund to maintain a minimum networth of ₹ 50 crore. Accordingly, the Company has met the requirement of maintaining a minimum networth of ₹ 50 crore during the FY2024-25.

As on March 31, 2025 the tangible networth of the Company stood at ₹ 67.7 crore.

DIVIDEND AND RESERVES

In view of planned business growth, your Directors deem it proper to preserve the resources of the Company for growth of the business and therefore, do not recommend any dividend for the FY2024-25.

The Company carried forward profit after tax of ₹ 5.42 crore earned during the year ended March 31, 2025 to the Reserves. The accumulated profit of the Company is ₹ 13.65 crore as at March 31, 2025.

SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as at March 31, 2025 is ₹ 54 crore comprising 5.4 crore equity shares of face value of ₹ 10/- each.

The entire paid-up share capital of the Company is held by HDFC Life Insurance Company Limited ("Sponsor Company") and its nominees.

The Company has not issued any bonus shares, sweat equity shares and shares with differential voting rights during the year under review.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

The Board of Directors comprise of seven Directors. The composition of the Board of Directors as on March 31, 2025 is as follows:

- Four Independent Directors; and
- Three Non-Executive Directors, out of which one is a Woman Director.

Changes in Board Composition

During the year under review, there were following changes to the Board of Directors of the Company:

- Mr Prakash Kandpal (DIN: 06452437) and Mr M. D. Ranganath (DIN: 07565125) have been appointed as Non-Executive Independent Director effective from April 17, 2024 and July 10, 2024 respectively, for a first term of 5 consecutive years. The appointment of Mr Prakash Kandpal and Mr M. D. Ranganath was approved by the shareholders at the Annual General Meeting held on July 10, 2024.
- Mr Prasad Chandran (DIN: 00200379) ceased to be an Independent Director of the Company effective from July 10, 2024.
- Mr Sumit Bose (DIN: 03340616) was re-appointed as an Independent Director of the Company for second term of one year effective from August 12, 2025 till August 11, 2026 subject to approval of the shareholders at the ensuing Annual General Meeting.
- Mr Sriram Iyer (DIN: 01809214) was appointed as Managing Director & Chief Executive Officer of the Company for a period of three years effective from May 1, 2025 at the Board Meeting held on April 16, 2025 subject to approval of the shareholders at the ensuing Annual General Meeting ("AGM").

Independent Directors

The Board of HDFC Pension comprises of Four Independent Directors viz., Mr Sumit Bose (DIN: 03340616), Mr Ranjan Mathai (DIN: 07572976), Mr Prakash Kandpal (DIN: 06452437) and Mr M. D. Ranganath (DIN: 07565125). The Independent Directors of the Company are eminent personalities having significant experience and expertise.

Further, the Independent Directors are not liable to retire by rotation, and therefore shall not be counted for determining the number of Directors liable to retire by rotation.

Directors' Report

As per the provisions of the Act, Mr Sumit Bose (DIN: 03340616) is being re-appointed for a second term for a period of one year. A resolution for the said purpose along with a brief profile of Mr Sumit Bose (DIN: 03340616) forms part of the Notice of the 14th AGM of the Company.

Statement on Declaration by Independent Directors

The Independent Directors of the Company have confirmed that they meet the criteria of Independence as laid down under Section 149 of the Act.

In terms of regulatory requirement, Independent Directors are required to undertake online proficiency self-assessment test to be conducted by Indian Institute of Corporate Affairs ("IICA") within a period of two years from the date of inclusion of their names in the Databank. On fulfilling the exemption criteria prescribed under the said rule, none of the Independent Directors of the Company are required to undergo the test conducted by the IICA.

Further, based on the disclosures and confirmations received from the Directors, the Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as the Director of the Company.

Retirement by Rotation

Section 152(6) of the Act provides that not less than two-thirds of the total number of directors of a public company shall be liable to retire by rotation, and that one-third of such directors as are liable to retire by rotation shall retire from office at every AGM.

As per the provisions of the Act, Mr Vineet Arora (DIN: 07948010), retires by rotation, and being eligible, offers himself for re-appointment at the 14th AGM of the Company. A resolution for the said purpose along with a brief profile of Mr Vineet Arora (DIN: 07948010) forms part of the Notice of the 14th AGM of the Company.

Statement on Non-disqualification of Directors

None of the Directors are disqualified from being appointed as Director under Section 164 of the Act.

As on March 31, 2025 the Board comprises of four Independent Directors viz., Mr Sumit Bose, Mr Ranjan Mathai, Mr Prakash Kandpal and Mr M. D. Ranganath and three Non-Executive Directors viz., Ms Vibha Padalkar, Mr Niraj Shah and Mr Vineet Arora.

During the FY2024-25, four (4) meetings of the Board of Directors of the Company were held on April 17, 2024, July 10, 2024, October 14, 2024 and January 14, 2025 and the maximum gap between two meetings did not exceed 120 days.

The details of attendance of Directors at the meetings are as follows:

Name	Category	Number of meetings attended/held during the year
Mr Sumit Bose	Independent Director	4/4
Mr Ranjan Mathai	Independent Director	4/4
Mr M. D. Ranganath*	Independent Director	3/3
Mr Prasad Chandran*	Independent Director	2/2
Mr Prakash Kandpal*	Independent Director	3/3
Ms Vibha Padalkar	Non-Executive Director	4/4
Mr Niraj Shah	Non-Executive Director	4/4
Mr Vineet Arora	Non-Executive Director	4/4

*Notes: 1. Mr Prakash Kandpal was appointed as Independent Director w.e.f. April 17, 2024.

2. Mr Prasad Chandran ceased to be Independent Director of the Company w.e.f. July 10, 2024.

3. Mr M. D. Ranganath was appointed as Independent Director w.e.f. July 10, 2024.

Key Managerial Personnel

The management of the Company has a wide range of skills, expertise and experience which ensures the effective operations of the Company and better utilization of resources.

In terms of the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following employees were holding the position of Key Managerial Personnel ("KMP") of the Company as on March 31, 2025:

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Sr. No.	Name of Key Managerial Personnel	Designation
1.	Mr Sriram Iyer	Chief Executive Officer
2.	Mr Harsh Goenka	Chief Financial Officer
3.	Mr Ganesh Ithape	Company Secretary

In terms of the provisions of the PFRDA (Pension Fund) Regulations, 2015 and as amended from time to time the following employees were holding the position of Key Personnel of the Company as on March 31, 2025:

Sr. No.	Name of Key Managerial Personnel	Designation
1.	Mr Sriram Iyer	Chief Executive Officer
2.	Mr Ganesh Ithape	Compliance Officer
3.	Mr Vishwas Katela	Chief Investment Officer
4.	Mr Rohit Dubey*	Chief Risk Officer
5.	Mr Palash Shah*	Interim Chief Risk Officer
6.	Mr Vardhman Kochar*	Chief Risk Officer
7.	Mr Rejo Thomas*	Interim Chief Information Security Officer
8.	Mr Rajesh Chaudhary*	Chief Information Security Officer
9.	Mr Anup Kamat	Head of Operations

*Notes-

1. Mr Rohit Dubey ceased to be Chief Risk Officer ("CRO") effective from July 10, 2024.
2. Mr Palash Shah was appointed as an Interim CRO on July 11, 2024 and ceased to be Interim CRO effective from January 27, 2025.
3. Mr Vardhman Kochar was appointed as CRO w.e.f. February 1, 2025.
4. Mr Rejo Thomas ceased to be Interim Chief Information Security Officer effective from July 10, 2024.
5. Mr Rajesh Chaudhary was appointed as Chief Information Security Officer effective from July 11, 2024.

Board Committees

The Board of Directors have constituted the following committees in compliance with the requirements of the Act read with the PFRDA (Pension Fund) Regulations, 2015 and amendments thereof. The details of the Committees are as follows:

Audit Committee

Details of Composition of Committee and Number of meetings held during the financial year under review:

As on March 31, 2025 the Audit Committee comprises of three Independent Directors viz., Mr Sumit Bose, Chairman, Mr Ranjan Mathai, Mr M. D. Ranganath and one Non – Executive Director viz., Ms Vibha Padalkar.

There were four (4) meetings of the Audit Committee held during the FY2024-25 on April 17, 2024 ; July 10, 2024 ; October 14, 2024 and January 14, 2025. The details of attendance of Members at the meetings are as follows:

Name	Category	Number of meetings attended/held during the year
Mr Sumit Bose	Independent Director	4/4
Mr M. D. Ranganath	Independent Director	2/2
Mr Ranjan Mathai	Independent Director	4/4
Ms Vibha Padalkar	Non-Executive Director	4/4
Mr Prasad Chandran*	Independent Director	2/2

*Notes- Mr Prasad Chandran ceased to be Director of the Company w.e.f. July 10, 2024.

Recommendations by the Audit Committee

During the FY2024-25, there were no instances where the recommendations made by the Audit Committee were not accepted by the Board.

Investment Committee

Details of Composition of Committee and Number of meetings held during the financial year under review:

As on March 31, 2025 the Investment Committee comprises of two Independent Directors viz., Mr Sumit Bose, Chairman, Mr Ranjan Mathai, and two Non-Executive Directors viz., Ms Vibha Padalkar and Mr Niraj Shah, Mr Sriram Iyer, Chief Executive Officer, Mr Vishwas Katela, Chief Investment Officer and Mr Vardhman Kochar, Chief Risk Officer.

There were four (4) meetings of the Investment Committee held during the FY2024-25 on April 17, 2024 ; July 10, 2024 ; October 14, 2024 and January 14, 2025.

Directors' Report

The details of attendance of Members at the meetings are as follows:

Name	Category	Number of meetings attended/held during the year
Mr Sumit Bose	Independent Director	4/4
Mr Ranjan Mathai	Independent Director	4/4
Ms Vibha Padalkar	Non-Executive Director	4/4
Mr Niraj Shah	Non-Executive Director	4/4
Mr Sriram Iyer	Chief Executive Officer	4/4
Mr Vishwas Katela	Chief Investment Officer	4/4
Mr Rohit Dubey*	Chief Risk Officer	2/2
Mr Palash Shah*	Interim Chief Risk Officer	2/2

*Notes-1. Mr Rohit Dubey resigned as the Chief Risk Officer w.e.f. July 10, 2024.

2. Mr Palash Shah vacated his Office as Interim Chief Risk Officer w.e.f. January 27, 2025.

Risk Management Committee

Details of Composition of Committee and Number of meetings held during the financial year under review:

As on March 31, 2025 the Risk Management Committee comprises of Mr Prakash Kandpal, Independent Director and Chairman; two Non-Executive Director viz., Ms Vibha Padalkar and Mr Niraj Shah, Mr Sriram Iyer, Chief Executive Officer, Mr Vishwas Katela, Chief Investment Officer, Mr Vardhman Kochar, Chief Risk Officer and Mr Ganesh Ithape, Company Secretary & Compliance Officer.

There were four (4) meetings of the Risk Management Committee held during the FY2024-25 on April 17, 2024 ; July 10, 2024 ; October 14, 2024 and January 14, 2025.

The details of attendance of members at the meetings are as follows:

Name	Category	Number of meetings attended/held during the year
Mr Prasad Chandran*	Independent Director	2/2
Mr Prakash Kandpal*	Independent Director	2/2
Ms Vibha Padalkar	Non-Executive Director	4/4
Mr Niraj Shah	Non-Executive Director	4/4
Mr Sriram Iyer	Chief Executive Officer	4/4
Mr Vishwas Katela	Chief Investment Officer	4/4

Name	Category	Number of meetings attended/held during the year
Mr Rohit Dubey*	Chief Risk Officer	2/2
Mr Palash Shah*	Interim Chief Risk Officer	2/2
Mr Ganesh Ithape	Company Secretary & Compliance Officer	4/4

*Notes-1. Mr Prasad Chandran has ceased to be Director of the Company w.e.f. July 10, 2024.

2. Mr Prakash Kandpal was appointed as Independent Director w.e.f. April 17, 2024.

3. Mr Rohit Dubey resigned as the Chief Risk Officer w.e.f. July 10, 2024.

4. Mr Palash Shah vacated Office as Interim Chief Risk Officer w.e.f. January 27, 2025.

Nomination and Remuneration Committee

Details of Composition of Committee and Number of meetings held during the financial year under review:

As on March 31, 2025 the Nomination and Remuneration Committee comprises of two Independent Directors viz., Mr Ranjan Mathai, Chairman and Mr Sumit Bose and one Non-Executive Director viz., Ms Vibha Padalkar.

There were three (3) meetings of the Nomination and Remuneration Committee held during the FY2024-25 on April 17, 2024 ; July 10, 2024 and January 14, 2025.

The details of attendance of Members at the meetings are as follows:

Name	Category	Number of meetings attended/held during the year
Mr Ranjan Mathai	Independent Director	3/3
Ms Vibha Padalkar	Non-Executive Director	3/3
Mr Prasad Chandran*	Independent Director	2/2
Mr Sumit Bose	Independent Director	1/1

Notes- Mr Prasad Chandran ceased to be Director of the Company w.e.f. July 10, 2024.

Corporate Social Responsibility Committee and Stakeholder's Relationship Committee

The provisions relating to constitution of Stakeholder's Relationship Committee are not applicable to the Company.

Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, the Corporate Social Responsibility ("CSR") is applicable to the Company effective from FY2025-26. However, the constitution of

Directors' Report

the CSR Committee is not applicable to the Company as exempted under Section 135 (9) of the Companies Act, 2013. The functions of the CSR Committee will be discharged by the Board of Directors of the Company. the CSR policy formulated by the Company has been hosted on the website of the Company and can be accessed through below mentioned web link: <https://www.hdfcpension.com/public-disclosures/>

The total budgeted CSR expenditure applicable to the Company for FY2025-26 is ₹ 12 lakh.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy and Technology Absorption

In view of the nature of business activity of the Company, the information relating to the conservation of energy and technology absorption, as required under Section 134(3) of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014 is not applicable to the Company.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the FY2024-25.

POLICY ON REMUNERATION OF DIRECTORS

Your Company has put in place a Policy on remuneration of Directors, Key Managerial Personnel and other employees. The said Policy is guided by the set of principles and objectives as envisaged under section 178 of the Act, which inter alia include principles pertaining to determining the qualifications, positive attributes, integrity and independence of Director etc.

The Nomination & Remuneration Committee of the Board deals with matters related to appointment and remuneration of Directors, Key Managerial Personnel and other employees of the Company. The Independent Directors remuneration comprise of sitting fees for attending the meetings of Board and Committees of the Board.

The details of the appointment and remuneration of Directors and Remuneration Policy has been hosted on the website of the Company and can be accessed through below mentioned web link: <https://www.hdfcpension.com/public-disclosures/>

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Pursuant to and in line with the requirements prescribed under the Act, the Board of Directors carried out an annual evaluation of its performance and that of its Committees and Individual Directors through an online portal. Further, the Independent Directors met separately on March 12, 2025 without the attendance of non-Independent Directors and Members of the Management, and inter alia reviewed the performance of non-independent directors, Board Committees and the Board as a whole.

They further assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Overall, the Independent Directors expressed their satisfaction on the performance and effectiveness of the Board, all the Committees, Individual Non-Independent Board Members, and on the quality, quantity and timeliness of flow of information between the Company Management and the Board. The Independent Directors expressed their satisfaction with the conduct and efficiency of the Board and Board Committees.

The Nomination & Remuneration Committee also undertook an evaluation of Individual Director's performance and expressed its satisfaction on performance of each Director.

The Board conducted the review of each Director's performance, Board as a whole and performance of Committees of the Board, and expressed its satisfaction. There has been no material adverse observation or conclusion, consequent to such evaluation and review.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the FY2024-25, the Company has not given any loans and guarantees which attract the provisions of Section 186 of the Act. For the particulars of investments made during the year, please refer Notes to Accounts.

EMPLOYEES STOCK OPTION

During the FY2024-25, your Company has not granted stock options to any of its employees. However, the Key Managerial Personnel and Non-Executive Director of the Company have in the past been granted Stock Options by the Holding Company i.e. HDFC Life Insurance Company Limited.

Directors' Report

During the year, there were no instances of loan granted by the Company to its employees.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company is wholly owned subsidiary of HDFC Life Insurance Company Limited ("HDFC Life"/ "Sponsor Company"). The Equity shares of HDFC Life are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

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

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

In terms of applicable provisions of the Act, the Audit Committee of the Board of Directors, at its quarterly meetings, approved the related party transactions. Since all the transactions entered into by the Company during FY2024-25 have been on arms length basis and are in ordinary course of business, the approval of the Board or the shareholders was not required.

PUBLIC DEPOSITS

The Company has not accepted any deposits during the year under review and hence provisions of the Act, relating to acceptance of Public Deposits are not applicable to the Company.

AUDITORS

Statutory Auditor

M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, (Firm Registration No. 104607W/W100166) are Statutory Auditors of the Company.

Statutory Auditor's Report

The Statutory Auditors have not made any qualification, reservation or adverse remark or disclaimer in their Audit Report for the FY2024-25. The Statutory Auditor of the Company has not reported any instances of fraud or irregularities in the management of the Company during the FY2024-25.

Secretarial Auditor

Pursuant to the requirements of Section 204 of the Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s NL Bhatia & Associates, Practising Company Secretaries (Firm Registration No. PI996MH055800), for conducting the Secretarial Audit for the financial year ended March 31, 2025.

The Secretarial Audit Report for FY2024-25 issued by M/s NL Bhatia & Associates, Practising Company Secretaries is enclosed as '**Annexure -1**' and forms part of this report.

The Auditor has not made any qualification, reservation or adverse remark or disclaimer in his Secretarial Compliance Certificate.

ANNUAL RETURN

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act, the Annual Return of the Company for the financial year ended March 31, 2025 is hosted on the website of the Company at <https://www.hdfcpension.com/public-disclosures>

REMUNERATION OF DIRECTORS AND OTHER EMPLOYEES

The details of remuneration paid to Independent Directors are mentioned in the below table:

Sr No	Names of Independent Director	Particulars of Remuneration	Remuneration paid (₹)
1	Mr Sumit Bose		7,00,000
2.	Mr Ranjan Mathai	Sitting Fees for attending meetings of the Board and its Committees	8,50,000
3.	Mr Prakash Kandpal		3,00,000
4.	Mr M. D. Ranganath		3,00,000
5.	Mr Prasad Chandran*		4,50,000

**Notes- Mr Prasad Chandran has ceased to be Director of the Company w.e.f. July 10, 2024.*

The Non – Executive Directors, other than Independent Directors do not avail sitting fees from the Company.

The provisions relating to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

RISK MANAGEMENT AND INTERNAL AUDIT FRAMEWORK

Risk Management

The Company firmly recognizes Risk Management as an integral building block to proactively manage risks and maximize opportunities related to achievement of strategic objectives. The Risk Management function is primarily responsible for identification, measurement, mitigation and reporting of various risks applicable to its operations, including financial risk, operational risk, information security risk and

Directors' Report

regulatory risk. The Risk Management function is also entrusted with implementation of the risk management framework and to periodically update the Risk Management Committee of the Board on the risk profile and status. The Company has put in place a Risk Management Policy ("Policy"), which provides a base for the overall risk management framework of the Company. The Policy is reviewed by the Risk Management Committee on quarterly basis and by the Board on a half-yearly basis.

Investment involves allocation of NPS subscribers' funds; hence protection of the capital in the funds becomes one of the key risk management objectives and therefore, the Company has also put in place a Board approved Stop Loss Policy. The stop loss policy not only aids in rational investment decision-making, but also helps to promote a culture of accountability and transparency. The Stop Loss Policy is reviewed by the Risk Management Committee and the Board at least on a yearly basis. Additionally, liquidity of investments, credit profile of portfolio, scenario analysis on concentrated investment is separately monitored.

Information and Cyber Security

Cyber Risk and Security is an important part of the company agenda. The company is ISO 27001 certified which validates our strong cyber security framework.

Employees are made aware of cyber security risks through online training. There are also Periodic Phishing campaigns conducted to assess employee awareness levels.

Periodic Internal and External audits gives the assurance on any material deviations or internal control weakness.

Maintaining the Company's resilience:

The Company continues to stay resilient and maintain operational resiliency by operating at hybrid working mode backed by robust technology, sturdy business processes and effective execution of the Business Continuity Management ("BCM") framework. HDFC Pension has the Board approved BCM Policy which provides a framework for ensuring resilience of Business from threats and challenges.

We have further improved the resiliency of the company by moving Key applications to the cloud.

The BCM Policy is reviewed by the Risk Management Committee and the Board on yearly basis and the plans are tested annually via BCP drills.

A. Technology Backbone:

- Systems and infrastructure are in place as part of the Work from Home (WFH) methodology to minimize disruptions caused by any future lockdowns or location unavailability.
- System and infrastructure are in place to meet daily operation from office premise and Work from Home (WFH) environment. Our IT Facility Management services are in place to cater all business operation needs all the time.
- Periodic IT and regulatory audits are performed to meet IT hygiene and compliance.
- The Company has adopted cloud technology to keep abreast with latest technology.
- IT teams continue to provide prioritized technical support for applications and infrastructure to ensure minimal/no downtime.
- Increased focus on Infosec & Cyber Security controls including necessary checks at third parties/vendors.

B. Employee Health & Safety:

- Regular advisories and information to employees.
- Emotional & Mental and physical well-being programs like mindful morning yoga sessions, awareness sessions with doctors etc.
- Hygiene standards are maintained across all offices/branches.

C. Admin Support

- Sanitization and deep cleaning continues to be carried out in offices.

Internal Audit Framework and Internal Financial Controls

The Company has in place an Internal Audit framework. Internal Audit is conducted by an independent firm of Chartered Accountants as per the scope and frequency of audit defined under PFRDA (Appointment of Internal Auditor) Guidance Note, 2013 and Guidelines issued under PFRDA (Point of Presence) Regulations, 2018, as amended. The overall audit process, factors in verifying compliance with process, systems, regulatory guidelines and controls.

Internal Audit Reports are placed at every Audit Committee meeting to discuss the audit observations, recommendations along-with the management

Directors' Report

action plan. The Internal Auditors and the Audit Committee track the status of implementation of various recommendations/actionables. The internal audits, in addition to ensuring compliance to policies, regulations, processes, etc also test and report adequacy of internal financial controls with reference to financial reporting/statements.

MATERIAL ORDERS AFFECTING THE COMPANY

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL EVENTS FROM CLOSE OF FINANCIAL YEAR

There have been no material changes and commitments impacting the financial position of the Company from the close of the FY2024-25, till the date of this report. During the year under review, there has been no change in the nature of business of the Company.

OTHER DISCLOSURES

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has constituted Internal Committee (IC) for redressal and timely management of sexual harassment complaints. The Internal Committee is presided over by a woman employee at a senior level and has minimum 50% women representatives. The Committee also has an external senior representative member who is a subject matter expert.

The Company has zero tolerance towards sexual harassment and is committed to provide a safe environment for all. Organisation's PRSH policy is inclusive irrespective of gender or sexual orientation of an individual. It also includes situations around work from home scenarios.

Pursuant to the said Act, the details regarding number of complaints received, disposed and pending during the financial year 2024-25 are as follows:

Particulars	Numbers
Number of complaints pending at the beginning of the financial year	1
Number of complaints received during the financial year	0
Number of complaints disposed during the financial year	1
Number of complaints pending as at the end of the financial year	0

Compliance with secretarial standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India for the FY2024-25.

Maintenance of cost records

On the basis of the nature of business, the Company is not required to maintain cost records.

Proceeding under Insolvency and Bankruptcy Code, 2016

The Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during FY 2024-25.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or financial institutions along with the reasons thereof.

The Company has not made any one-time settlement with the banks or financial institutions, therefore, the same is not applicable.

AWARDS AND RECOGNITION

During the year under review HDFC Pension was honored with the "Best CX Technology in Pension Management" award at the Smart CX Summit Awards 2024, an event held in August 2024. This prestigious recognition highlights HDFC Pension's leading-edge implementation of customer experience (CX) technology within the pension management sector. The award specifically acknowledges innovative use of technology by the Company to enhance customer interactions and streamline services for pension subscribers.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134 of the Act, the Board of Directors state that:

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures (if any);
- such accounting policies have been selected and applied consistently, and judgments and estimates made that are reasonable and prudent, so as to give a true and fair view of the Company's state of affairs, as on March 31, 2025 and of the Company's profit for the year ended on that date;

Directors' Report

- (iii) proper and sufficient care has been taken for the 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 fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis; and
- (v) proper systems have been devised to ensure compliance with the provisions of all applicable laws, and such systems were adequate and operating effectively.

APPRECIATION AND ACKNOWLEDGEMENT

Your Directors place on record their gratitude for all the subscribers, customers and business associates for reposing their trust and confidence in the Company. Your Directors would also take this opportunity to express their appreciation for hard work and dedicated efforts put in by the employees

and for their untiring commitment; and the senior management for continuing success of the business.

Your Directors further take this opportunity to record their gratitude towards HDFC Life Insurance Company Limited, the Sponsor Company for its invaluable and continued support and guidance and also to Pension Fund Regulatory and Development Authority ("PFRDA"), Ministry of Corporate Affairs ("MCA"), National Pension System Trust ("NPS Trust") and other governmental and regulatory authorities for their support, guidance and co-operation from time to time.

On behalf of the Board of Directors
For **HDFC Pension Fund Management Limited**

Sd/-
Sumit Bose

Place: Mumbai
Date: April 16, 2025

Director
DIN: 03340616

Sd/-
Niraj Shah

Director
DIN: 09516010

Annexure I**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
HDFC PENSION FUND MANAGEMENT LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDFC PENSION FUND MANAGEMENT LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended of March 31, 2025 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the Rules made thereunder including amendments made from time to time;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **Not applicable to the Company, for the period under review.**
- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment; Overseas Direct Investment and External Commercial Borrowing; - **Not applicable to the Company, for the period under review.**

- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - **Not applicable to the Company, for the period under review.**

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Benefits and Sweat Equity) Regulations, 2021;

- (6) Other Laws applicable to the Company, as provided under **Annexure-I** of this report.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meetings and for meaningful participation at the Meetings. All decisions were passed unanimously at both Board and General Meetings.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the period under review, the Company has Change its name from HDFC Pension Management Company Limited to HDFC Pension Fund Management Limited.

**For M/s N L Bhatia & Associates
Practicing Company Secretaries**

UIN: P1996MH055800

Peer Review No: 6392/2025

Sd/-
N L Bhatia

Partner

FCS: 1176

CP. 422

Date: April 16, 2025

Place: Mumbai

UDIN: F001176G000122660

ANNEXURE-I

LIST OF OTHER APPLICABLE LAWS:

1. Pension Fund Regulatory and Development Authority (Pension Fund) Regulations as amended till date;
2. Foreign Exchange Management Act, 1999 ("FEMA") and the Rules and Regulations made thereunder to the extent applicable;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Goods and Service Tax Act, 2017;
5. Income-Tax Act, 1961 and Rules;
6. The Payment of Gratuity Act, 1972;
7. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

To,
The Members of
HDFC PENSION FUND MANAGEMENT LIMITED

Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
- (4) Where ever required, we have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For M/s N L Bhatia & Associates
Practicing Company Secretaries**

UIN: P1996MH055800
Peer Review No: 6392/2025

Sd/-

N L Bhatia

Partner

FCS: 1176

CP. No. 422

UDIN: F001176G000122660

Date: April 16, 2025

Place: Mumbai

Independent Auditor's Report

**TO THE MEMBERS OF HDFC PENSION FUND MANAGEMENT LIMITED
(FORMERLY KNOWN AS HDFC PENSION MANAGEMENT COMPANY LIMITED)**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **HDFC PENSION FUND MANAGEMENT LIMITED (FORMERLY KNOWN AS HDFC PENSION MANAGEMENT COMPANY LIMITED)** (the 'Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Company's Director's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation 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 prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

Independent Auditor's Report

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The comparative financial information of the Company for the year ended March 31, 2024, included in these financial statements, are based on the previously issued statutory financial statements which were audited by the predecessor auditor, whose report dated April 17, 2024, expressed an unmodified opinion on the audited financial statements.

Our opinion on the financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Independent Auditor's Report

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 Statement of Cash Flow 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 relevant rules issued thereunder.
 - (e) On the basis of written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the reporting on the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us, we further report that:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The Management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material misstatement.

Independent Auditor's Report

- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
3. In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration and hence the provisions of Section 197 (16) of the Act is not applicable.

For **KALYANIWALLA & MISTRY LLP**

Chartered Accountants

Firm Registration No: 104607W / W100166

Thrity Z. Patel

Partner

Place : Mumbai

Date : April 16, 2025

Membership No: 117151

UDIN: 25117151BMRJUB3167

Annexure A

to the Independent Auditor's Report

Referred to in Para 1 under 'Report on Other Legal and Regulatory Requirements' of our Report to the Members of the Company on the financial statements for the year ended March 31, 2025:

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2020

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any right-of-use assets during the year.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a program of physical verification of Property, Plant and Equipment so as to cover all the assets at periodic intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property, hence reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of INR 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence, reporting under clause 3 (iii) of the Order is not applicable.
4. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, guarantees or security as specified under Section 185 of the Companies Act, 2013. The Company has not made any investments in companies and so provisions of section 186 of the Companies Act, 2013 is not applicable to the Company.
5. The Company has not accepted any deposits, from the public as per the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules made thereunder. Hence, reporting under clause 3 (v) of the Order is not applicable.
6. The Central Government has not prescribed the maintenance of cost records under section 148 (i) of the Companies Act, 2013 for any of the services rendered by the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable.

Annexure A

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues, including Goods and Services Tax, 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, applicable to it, with the appropriate authorities during the year.

There are no undisputed dues which have remained outstanding as at the end of the

financial year, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Services Tax, 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 applicable to it which have not been deposited on account of any disputes except the following -

Name of the Statute	Nature of the Dues	Amount (INR in thousand)	Period to which the amount relates to	Forum where dispute is pending
Goods and Service Tax Act, 2017	Goods and Service Tax Demand	452	AY 2019-20	Assistant Commissioner of State tax

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or other borrowings from any lender during the year. Hence, reporting under clause 3 (ix)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loans during the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes during the year by the Company.

- (e) The Company does not have subsidiaries, associates or joint ventures, hence reporting on clause 3 (ix)(e) of the Order is not applicable.

- (f) The Company does not have subsidiaries, associates or joint ventures, hence reporting on clause 3 (ix)(f) of the Order is not applicable.

10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3 (x)(a) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year, and hence reporting on clause 3 (x)(b) of the Order is not applicable.

11. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014

Annexure A

with the Central Government, during the year and upto the date of the audit report.

- (c) As represented to us by the management, there have been no whistle-blower complaints received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) (a), (b) and (c) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) In our opinion and based on our examination of the records of the Company, the Company has adequate internal audit system commensurate with the size and nature of business.
- (b) Internal audit is carried out for key areas on a cyclical basis. All the internal audit reports provided by the management have been considered by us.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year and hence provisions of Section 192 of the Companies Act, 2013 is not applicable to the Company.
16. (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) is not applicable to the Company. Hence reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Financial activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Hence reporting under clause 3 (xvi) (c) of the Order is not applicable.
- (d) According to the information and explanation given to us by the management, the Group does not have any core investment company. Hence, reporting under clause 3 (xvi) (d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of statutory auditors of the Company during the year and hence reporting under clause 3 (xviii) of the Order is not applicable.
19. According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. According to the information and explanations given to us, and based on the audit procedures performed by us, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.
21. The Company is not required to prepare consolidated financial statements and hence reporting under clause 3 (xxi) of the Order is not applicable.

For **KALYANIWALLA & MISTRY LLP**

Chartered Accountants

Firm Registration No: 104607W / W100166

Thrity Z. Patel

Partner

Place : Mumbai

Date : April 16, 2025

Membership No: 117151

UDIN: 25117151BMRJUB3167

Annexure B

to the Independent Auditor's Report

The Annexure referred to in Para 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' Report to the Members of the Company on the financial statements for the year ended March 31, 2025:

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **HDFC PENSION FUND MANAGEMENT LIMITED (FORMERLY KNOWN AS HDFC PENSION MANAGEMENT COMPANY LIMITED)** (the 'Company') as at March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 (the 'ICAI'). 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 with reference to financial statements 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') issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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.

Annexure B

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate

internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements 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 **KALYANIWALLA & MISTRY LLP**

Chartered Accountants

Firm Registration No: 104607W / W100166

Thrity Z. Patel

Partner

Place : Mumbai

Date : April 16, 2025

Membership No: 117151

UDIN: 25117151BMRJUB3167

Balance Sheet

as at March 31, 2025

(₹ '000)			
Particulars	Note	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	540,000	540,000
Reserves and surplus	4	136,573	82,336
		676,573	622,336
NON-CURRENT LIABILITIES			
Long-term borrowings		-	-
Other long-term liabilities		-	-
Long-term provisions		-	-
CURRENT LIABILITIES			
Short-term borrowings		-	-
Trade payables	5	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Other current liabilities	6	371,943	29,419
Short-term provisions	7	211,114	143,475
		1,259,630	795,230
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	8	57,634	22,388
(ii) Intangible assets	9	1,011	915
(iii) Assets under development	10	2,163	570
Non-current investments	11	478,947	575,892
Long-term loans and advances	12	47,529	38,302
Other non-current assets	13	2,095	158
CURRENT ASSETS			
Current investments	14	227,783	79,183
Trade receivables	15	61,531	42,733
Cash and Bank balances	16	356,601	16,506
Short-term loans and advances	17	11,444	2,895
Other current assets	18	12,892	15,688
		1,259,630	795,230

See accompanying notes forming part of the financial statements

In terms of our report of even date attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Thrity Z. Patel
(Partner)
Membership No. 117151

Place- Mumbai
Date- April 16, 2025

For and on behalf of the Board of Directors
HDFC Pension Fund Management Limited
(formerly HDFC Pension Management Company Limited)

Vineet Arora
(Director)
(DIN : 07948010)

Sriram Iyer
(Chief Executive Officer)

Ganesh Itape
(Company Secretary)

Niraj Shah
(Director)
(DIN : 09516010)

Harsh Goenka
(Chief Financial Officer)

Statement of Profit and Loss Account

for the year ended March 31, 2025

(₹ '000)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
INCOME			
Revenue from operations			
- Investment management fees	19	567,324	378,423
- POP Income		140,923	80,131
Other income	20	50,443	44,626
Total income		758,690	503,180
EXPENSES			
Employee benefit expenses	21	319,945	258,371
Establishment expenses	22	149,858	89,475
Other expenses	23	191,282	128,365
Depreciation and amortisation	24	11,756	2,781
Total expenses		672,841	478,992
Profit before tax		85,849	24,188
Tax expenses for prior period		8,313	-
Tax expenses		23,299	6,088
Profit for the year		54,237	18,100
Earnings per equity share (face value ₹ 10 each)	25		
Basic (₹)		1.00	0.34
Diluted (₹)		1.00	0.34

See accompanying notes forming part of the financial statements

In terms of our report of even date attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Thrity Z. Patel
(Partner)
Membership No. 117151

Place- Mumbai
Date- April 16, 2025

For and on behalf of the Board of Directors
HDFC Pension Fund Management Limited
(formerly HDFC Pension Management Company Limited)

Vineet Arora
(Director)
(DIN : 07948010)

Niraj Shah
(Director)
(DIN : 09516010)

Sriram Iyer
(Chief Executive Officer)

Harsh Goenka
(Chief Financial Officer)

Ganesh Itape
(Company Secretary)

Cash Flow Statement

for the year ended March 31, 2025

(₹ '000)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	85,849	24,188
Adjustments for:		
Depreciation and amortisation	11,756	2,781
Interest income on investments	(39,632)	(39,481)
Profit on sale of investments	(5,898)	(1,426)
Interest on Income tax refund	(1,251)	(422)
Payment of stamp duty Unrealised gain on investments/	-	-
Profit on sale of fixed assets	(424)	(89)
Amortisation of discount/(premium) on investments	(3,232)	(3,208)
Operating cash flow before working capital changes	47,168	(17,657)
Changes in working capital:		
Adjustments for increase / (decrease)		
Decrease / (Increase) in Trade Receivables	(18,798)	(12,289)
Decrease / (Increase) in Other Current Assets	4,493	(8,032)
Decrease / (Increase) in Short Term Loans and Advances	(8,548)	(1,539)
Decrease / (Increase) in Other non-current Assets	(1,848)	1,848
Decrease / (Increase) in Long Term Loans and Advances	(9,268)	(565)
Increase / (Decrease) in Other Current Liabilities	3,937	16,530
Increase / (Decrease) in Short Term Provisions	67,639	72,997
Cash generated from/(used in) operations	84,775	51,292
Income taxes received as refund / (paid) - net	(30,319)	(32,262)
NET CASH FROM OPERATING ACTIVITIES	54,455	19,030
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipments and Intangibles	(54,064)	(22,965)
Proceeds from sale of Property, Plant and Equipment	5,797	964
Investment in Mutual Funds (net)	7,475	(35,266)
Investment in Non Current securities (net)	(50,000)	12,131
Income received on investment	37,845	39,305
NET CASH FROM INVESTING ACTIVITIES	(52,948)	(5,831)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	-
Payment of stamp duty	-	-
Net Cash generated from/(used in) during the year	1,507	13,199
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	14,758	1,559
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	16,265	14,758
See accompanying notes forming part of the financial statements		
Reconciliation of cash and cash equivalents with cash and bank balances as per Balance Sheet:		
Cash and cash equivalents	16,265	14,758
Payable to NPS trust	340,336	1,749
Cash and bank balances as per Balance Sheet	356,601	16,506

In terms of our report of even date attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No. 104607W/WI00166

Thrity Z. Patel
(Partner)
Membership No. 117151

For and on behalf of the Board of Directors
HDFC Pension Fund Management Limited
(formerly HDFC Pension Management Company Limited)

Vineet Arora
(Director)
(DIN : 07948010)

Niraj Shah
(Director)
(DIN : 09516010)

Sriram Iyer
(Chief Executive Officer)

Harsh Goenka
(Chief Financial Officer)

Place- Mumbai
Date- April 16, 2025

Ganesh Itape
(Company Secretary)

Notes Forming Part of the Financial Statements

1 Corporate information

HDFC Pension Fund Management Limited (formerly HDFC Pension Management Company Limited) ('the Company'/'HDFC Pension') is a wholly owned subsidiary of HDFC Life Insurance Company Limited (or 'HDFC Life'). The Company is a public limited company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The Company was incorporated on June 20, 2011 with Registration Number U66020MH2011PLC218824 with the purpose of managing pension fund business under the National Pension System (NPS), to which HDFC Life acts as the Sponsor. The Company was granted licence to undertake pension management under the NPS by the Pension Fund Regulatory and Development Authority ('PFRDA') on April 23, 2013 and is in business from August 2013.

The Company was granted licence under the new Request for Proposal (RFP) by the PFRDA and was issued certificate of registration dated 30th March, 2021 to act as Pension Fund under NPS architecture.

The Company was granted Certificate of Registration dated February 13, 2019 (Registration code: POP246022019) by the PFRDA for acting as Point of Presence (PoP) under National Pension System (NPS), to provide PoP – NPS – Distribution and Servicing services for public at large.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements under the historical cost convention on accrual basis of accounting to comply in all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act, to the extent applicable. Accounting policies have been consistently applied to the extent applicable and in the manner so required.

The classification of assets and liabilities of the Company into current or non-current is based on the Company's normal operating cycle and other criterion specified in the Schedule III to the Companies Act, 2013. The Company has

ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of the financial statements in conformity with the Indian GAAP requires that the Company's management makes estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as on the date of the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively.

2.3 Revenue recognition

(a) Investment management fees

Investment management fees are recognised on an accrual basis on daily closing assets under management across respective schemes under pension funds. The investment management fees are presented excluding Goods and services Tax in the Statement of Profit & Loss Account.

(b) POP income

POP income includes account opening fees, contribution processing fees, persistency income and exit charges.

- i) Account opening fees are due and recognised on generation of Permanent retirement account number (PRAN).
 - ii) Contribution Processing fees are recognised when contribution received is transferred to NPS Trust Account
 - iii) Persistency Income is recognised on subscriber accounts active for more than six months based on the data shared by Central Recordkeeping Agencies on receipt basis
 - iv) Exit charges are recognised on processing of exit of the member from NPS.
 - v) Trail Commission fees are recognised on receipt basis when the amount is received from Central Recordkeeping Agencies
- POP Income are presented excluding Goods and Services tax in the Statement of Profit & Loss Account.

Notes Forming Part of the Financial Statements

(c) Other income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

Interest income on debt investments is recognised on an accrual basis. Amortisation of premium or accretion of discount on debt investments is recognised over the period of maturity / holding of the investments on a straight line basis.

Dividend income is recognised on the "ex-dividend" date in case of listed equity shares and in case of unlisted equity shares when right to receive dividend is established.

Profit or loss on sale of debt investments is calculated as the difference between the net sale proceeds and the weighted average amortised cost as on the date of sale.

Profit or loss on sale of equity shares/mutual fund units is calculated as the difference between the net sale proceeds and the weighted average cost as on the date of sale.

2.4 Investments

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to dispose them within twelve months from the Balance Sheet date are classified as current investments. All other investments are classified as long term investments and disclosed as non-current investments. Current investments are valued at lower of cost or fair value determined for each individual investment. Long term investments are valued at cost, subject to amortisation of premium or accretion of discount, over the period of maturity/holding, on a straight line basis. Provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

2.5 Property, Plant and Equipment and Intangible assets and Depreciation / Amortisation

The Property, Plant and Equipment are stated at cost less accumulated depreciation/amortisation and impairment if any. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use. Property, Plant and Equipment individually costing less than ₹ 5,000, are fully depreciated in the month of purchase.

Subsequent expenditure incurred on existing Property, Plant and Equipment is expensed out except where such expenditure increases the future economic benefits from the existing assets.

Any additions to the original fixed assets are depreciated over the remaining useful life of the original asset.

Depreciation/amortisation is charged on pro-rata basis from the month in which the asset is put to use and in case of assets sold, up to the previous month of sale.

Advances given towards acquisition of fixed assets are disclosed under 'Long term loans and advances' in Balance Sheet.

Tangible assets

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management.

Useful lives of the tangible assets are as follows:

Asset class	Useful life of assets (in years)
Information technology equipment-End user devices ^	3
Information technology equipment-Non end user devices*^	3-4
Furniture & Fixtures*^	5
Office Equipment^	2-5
Motor Vehicles*^	4

* For these class of assets, based on internal assessment and internal technical evaluation carried out by the management, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

^ For these class of assets, based on internal assessment carried out by the management, the residual value is considered to be nil.

Leasehold improvements are amortised over the lock in period of the leased premises subject to a maximum of five years.

Intangible assets

Intangible assets are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition for its intended use, less accumulated amortisation and impairment if any. These are amortised over the useful life of the asset subject to maximum of four years.

Notes Forming Part of the Financial Statements

Any expenditure for support & maintenance of the intangible asset is charged to the Statement of Profit & Loss Account.

Capital work in progress / Intangible assets under development

Cost of assets as at the Balance Sheet date not ready for its intended use as at such date are disclosed as capital work in progress/intangible assets under development.

2.6 Impairment of assets

The Company's management periodically assesses, using internal and external sources, whether there is any indication that an asset may be impaired. If any such indication of impairment exists, the recoverable amount of such asset is estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised in the Statement of Profit and Loss where the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its ultimate disposal. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit & Loss Account. The increased carrying amount of an asset due to reversal of an impairment loss should not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior accounting periods.

2.7 Employee benefits

a) Short term employee benefits: All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and bonuses, short term compensated absences and contribution towards Employee State Insurance Corporation Scheme and Employee Deposit Linked Insurance are recognised in the period in which the employee renders the related service. All short term employee benefits are accounted for on an undiscounted basis.

b) Post employment benefits

Defined contribution plan:

The Company's Provident Fund Scheme (Company contribution) and National Pension Scheme (Company contribution) is a defined contribution plan. The contributions paid/payable towards the fund are charged to the Statement of Profit & Loss Account during the year in which the employee renders the related service on an undiscounted basis.

Defined benefit plan:

The Company's Gratuity plan is an unfunded defined benefit plan. The gratuity benefit payable to the employees of the Company is recognised as per the provisions of 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation at the Balance Sheet date using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Provision for gratuity is accounted for taking into consideration the actuarial valuation of plan obligation as at the Balance Sheet date, in accordance with Accounting Standard (AS) 15 (Revised), 'Employee Benefits'.

Actuarial gains / losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit & Loss Account, in the year in which they arise.

c) Other long term employee benefits

The obligation for long term employee benefits such as accumulated long term compensated absences, are accounted for based on actuarial valuation determined using the projected unit credit method.

Actuarial gains / losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit & Loss Account, in the year in which they arise.

2.8 Operating Leases

Leases, where lessor effectively retains substantially all the risks and rewards of ownership of the asset over the lease term are classified as operating leases. Rental payments under operating leases including committed increase in rentals are recognised as an expense, on a straight line basis, over the lease term.

Notes Forming Part of the Financial Statements

2.9 Taxation

a) Direct tax

i) Provision for current tax

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). 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.

ii) Deferred tax

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 carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

b) Indirect tax

The Company claims credit of Goods and Services Tax ('GST') on input services, which is set off against GST on output services. As a matter of prudence, unutilised credits towards GST on input services are carried forward under the head "Long-term loans and advances" in the Balance Sheet, wherever there is reasonable certainty of utilisation.

2.10 Provisions, contingent liabilities and contingent assets

Provisions are recognised in respect of present obligations that arise as a result of past events where it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are determined on the basis of best estimate of the outflow of economic benefits required to settle the obligation at the Balance Sheet date. Where no reliable estimate can be made, a disclosure is made as contingent liability.

Contingent liabilities are disclosed in respect of ;

- a) possible obligations that arise from past events, the existence or otherwise of which will be confirmed by the occurrence or non-

occurrence of one or more uncertain future events, not wholly within the control of the Company or

- b) present obligation that arises from past events, but is not recognised because there is remote probability that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed.

2.11 Earnings per equity share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus shares, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.12 Cash flow statement

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

2.13 Cash and cash equivalents

Cash comprises cash, cheques in hand and bank balances. Cash equivalents comprise money market instruments including highly liquid mutual funds that are readily convertible into measurable amounts of cash having original maturity of three months or less and which are subject to insignificant risk of change in value.

Notes Forming Part of the Financial Statements

3 Share capital

The Company is a wholly owned subsidiary of HDFC Life Insurance Company Limited

Details of outstanding share capital are as given below:

Particulars	(₹ '000)	
	As at March 31, 2025	As at March 31, 2024
Authorised capital		
60,000,000 Equity shares of ₹ 10 each (Previous year: 60,000,000 Equity shares of ₹ 10 Each)	600,000	600,000
	600,000	600,000
Issued, subscribed and fully paid-up capital		
54,000,000 Equity shares of ₹ 10 each (Previous year: 54,000,000 Equity shares of ₹ 10 Each)	540,000	540,000
	540,000	540,000

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

The holders of equity shares are entitled to dividend, if any, proposed by the Board of Directors and approved by shareholders in the Annual General Meeting.

Reconciliation of number of shares outstanding at the beginning and at the end of the year, is as given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	(₹ '000)	Number of shares held	(₹ '000)
Equity shares outstanding as at the beginning of the year	54,000,000	540,000	54,000,000	540,000
Equity shares issued during the year	-	-		
Equity shares outstanding as at the end of year	54,000,000	540,000	54,000,000	540,000

Details of each shareholder, holding more than 5 percent shares in the Company are as given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares held	Percentage of holding	Number of Shares held	Percentage of holding
HDFC Life Insurance Company Ltd along with it's nominees	54,000,000	100%	54,000,000	100%

Shareholding of promoters

Shares held by promoters as at 31st March, 2025		No of Shares	% of total shares	% Change during the year
Sr. No	Promoter name			
1	HDFC Life Insurance Company Ltd along with it's nominees	54,000,000	100%	0%

Shareholding of promoters

Shares held by promoters as at 31st March, 2024		No of Shares	% of total shares	% Change during the year
Sr. No	Promoter name			
1	HDFC Life Insurance Company Ltd along with it's nominees	54,000,000	100%	0%

Notes Forming Part of the Financial Statements

There are no equity shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

No shares are allotted as fully paid up by way of bonus shares and no shares have been bought back during five years immediately preceding the reporting date.

- (i) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash - Nil
- (ii) Issued as any bonus shares - Nil
- (iii) Share Bought back - Nil.

There are no calls unpaid on any equity shares.

There are no forfeited shares.

4 Reserves and surplus

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Profit & Loss account		
Opening balance	82,336	64,236
Add:- Net Profit during the year as per the Statement of Profit & Loss Account	54,237	18,100
Closing balance	136,573	82,336

5 Trade payables

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-

6 Other current liabilities

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Payable to holding company	-	12,385
Payable for statutory dues	17,748	12,215
Payable to others	13,859	3,070
Payable to NPS Trust	340,336	1,749
Total	371,943	29,419

7 Short-term provisions

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits	82,957	51,205
Provision for expenses	128,157	92,270
Total	211,114	143,475

Notes Forming Part of the Financial Statements

8 Property, Plant and Equipment

Particulars	Cost / Gross Block			Depreciation			Net Block	
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	For the year ended March 31, 2025	On Sales / Adjustments	As at March 31, 2025
Land	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Computer hardware - Non end user devices	2,500	43,159	-	45,659	2,500	4,005	-	39,154
Computer hardware - End user devices	2,578	3,548	-	6,126	920	1,260	-	3,946
Furniture and fixtures	13,431	4,885	-	18,316	753	3,721	-	13,842
Office equipment	144	243	-	387	144	71	-	172
Vehicles	11,610	-	7,369	4,241	3,557	2,160	1,996	520
Leasehold improvements	26	-	-	26	26	-	-	-
Grand Total	30,288	51,835	7,369	74,755	7,900	11,217	1,996	57,634
Previous year	8,998	22,395	1,105	30,288	5,898	2,233	230	22,388

9 Intangible assets

Particulars	Cost / Gross Block			Depreciation			Net Block	
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	For the year ended March 31, 2025	On Sales / Adjustments	As at March 31, 2025
Intangibles (Computer software)	11,114	635	-	11,749	10,200	538	-	1,011
Grand Total	11,114	635	-	11,749	10,200	538	-	1,011
Previous year	11,114	-	-	11,114	9,651	549	-	915

Notes Forming Part of the Financial Statements

10 (i) Assets under development

Particulars	Cost / Gross Block			Depreciation				Net Block	
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	For the year ended March 31, 2023	On Sales / Adjustments	As at March 31, 2025	As at March 31, 2024
Intangibles (Computer software)	500	1,212		1,712	-	-	-	1,712	500
Computer hardware – Non end user devices	70	451	70	451	-	-	-	451	70
Grand Total	570	1,663	70	2,163	-	-	-	2,163	570
Previous year	-	570	-	570	-	-	-	570	-

10 (ii) Assets under development ageing schedule

Intangible assets under development	Amount in Intangible assets under development for the year ended March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Point of Presence system development in process	1,212	500	-	-	1,712
Computer hardware - Non end user devices	451	-	-	-	451
Grand Total	1,663	500	-	-	2,163

10 (iii) Assets under development ageing schedule

Intangible assets under development	Amount in Intangible assets under development for the year ended March 31, 2024			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Point of Presence system development in process	500	-	-	-
Capital work in progress	70	-	-	-
Grand Total	570	-	-	-

Notes Forming Part of the Financial Statements

11 Non-current investments

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Quoted (at cost):		
Investments in Government Securities		
- 8.32% GOI, August 02, 2032 - 500,000 units of face value ₹ 100 each (Previous year 500,000 units of face value of ₹ 100 each)	48,941	48,797
- 9.20% GOI, September 30, 2030 - 500,000 units of face value ₹ 100 each (Previous year 500,000 units of face value of ₹ 100 each)	50,379	50,448
- 6.64% GOI, June 16, 2035 - 500,000 units of face value ₹ 100 each (Previous year : 500,000 units of face value ₹ 100 each)	49,535	49,489
-6.75% Gujarat SDL, October 13, 2029 - 500,000 units of face value ₹ 100 each (Previous year : 500,000 units of face value ₹ 100 each)	50,092	50,113
Investments in Gsec C-STRIPS		-
- June 15, 2028 - 5,00,000 Units of face value ₹ 100 each (Previous year: 5,00,000 Units of face value ₹ 100 each)	41,668	39,071
- August 22, 2028 - 5,00,000 Units of face value ₹ 100 each (Previous year: 5,00,000 Units of face value ₹ 100 each)	41,180	38,582
Investments in Non convertible debentures (NCD)	-	50,085
- 7.70% L&T, April 28, 2025 - 50 units of face value ₹ 1,000,000 each as at 31 st March 2024 (Reclassified to Current Asset)		
- 8.15% Power Grid, March 09, 2030 - 50 units of face value ₹ 1,000,000 each (Previous year: 50 units of face value ₹ 1,000,000 each)	52,735	53,288
- 8.27% National Highways Authority of India Series IV, March 28, 2029 - 90 units of face value ₹ 1,000,000 each (Previous year: 90 units of face value ₹ 1,000,000 each)	94,417	95,524
-7.54% SIDBI 2026-Series VIII, January 12, 2026 - 50 units of face value ₹ 1,000,000 each as at 31 st March 2024 (Reclassified to Current Investment)	-	49,753
-8.94% Bajaj Finance Ltd NCD, November 07, 2025- 50 units of face value ₹ 1,000,000 each as at 31 st March 2024 (Reclassified to Current Investment)	-	50,742
- 7.42% SIDBI NCD Series IV Mat 12-Mar-2029 500 units of face value ₹ 100,000 each(Previous year- Nil)	50,000	-
Total	478,947	575,892
Aggregate value of quoted investments	478,947	575,892
Market value of quoted investments	438,959	575,448

12 Long-term loans and advances

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Unutilised goods and services tax input credit	11,946	2,678
Advance tax paid -Tax deducted at source (net of provision for tax)	35,583	35,624
Total	47,529	38,302

13 Other non-current assets

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Bank Deposits with maturity of more than 12 months (Refer note no.33)	2,000	152
Interest accrued on Fixed deposit	95	6
Total	2,095	158

Notes Forming Part of the Financial Statements

14 Current investments

(₹ '000)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Mutual Funds - valued at lower of cost or market value		
(a) Unquoted - ICICI Prudential Liquid - Direct Plan-Growth 203149,649 units of ₹ 382.01 each (Previous year 222455.54 units of ₹ 355.9498 each)	77,606	79,183
(b) Quoted - Investments in Non convertible debentures (NCD)	50,006	-
- 7.70% L&T NCD, April 28, 2025 - 50 units of face value ₹ 1,000,000 each		
- 8.94% Bajaj Finance Ltd NCD Mat 07-Nov-2025 - 50 units of face value ₹ 1,000,000 each	50,279	-
- 7.54% SIDBI 2026-Series VIII Mat 12-Jan-2026-50 units of face value ₹ 1,000,000 each	49,892	
Total	227,783	79,183
Aggregate value of investments	227,783	79,183
Market value of investments*	228,347	79,491

* Market value of ICICI Prudential Liquid Mutual Fund is the net asset value as declared by ICICI Prudential Mutual Fund

15 (i) Trade Receivable

(₹ '000)

Particulars	As at March 31, 2025	As at March 31, 2024
Receivable from NPS Trust	58,544	41,666
Receivable from POP business	2,987	1,067
Total	61,531	42,733

15 (ii) Trade receivables ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payments						Total
	Less than 6 Months	6 Months-1 Year	1-2 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables							
- Considered good	61,531	-	-	-	-	-	61,531
- Considered doubtful	-	-	-	-	-	-	-
Total	61,531	-	-	-	-	-	61,531

15 (iii) Trade receivables ageing as at March 31, 2024

Particulars	Outstanding for following periods from due date of payments						Total
	Less than 6 Months	6 Months-1 Year	1-2 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables							
- Considered good	42,733	-	-	-	-	-	42,733
- Considered doubtful	-	-	-	-	-	-	-
Total	42,733	-	-	-	-	-	42,733

Notes Forming Part of the Financial Statements

16 Cash and Bank balances

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	-	-
Balances with banks:		
-In current accounts	356,601	16,506
Other bank balances		
-Deposits with maturity of more than 3 months but less than 12 months	152	2,000
-Deposits with maturity of more than 12 months	2,000	152
Sub-Total	358,753	18,658
Amount disclosed under other current assets (Refer note no. 18)	(152)	(2,000)
Amount disclosed under other non-current assets (Refer note no.13)	(2,000)	(152)
Total	356,601	16,506

17 Short-term loans and advances

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	4,897	1,312
Others	6,547	1,583
Total	11,444	2,895

18 Other current assets

(₹ '000)		
Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on Fixed deposit	17	-
Bank Deposits with maturity of less than 12 months (Refer note no.32)	152	2,000
Interest accrued on investments	12,611	10,930
Receivable from vendors for Tender	-	2,645
Other current assets	112	112
Total	12,892	15,688

19 Investment management fees (IMF)

Slab wise Investment Management Fees structure is as below.

Asset Under Management (₹ Crore)	Investment Management Fees
Less than 10000	0.09%
Above 10000 up to 50000	0.06%
Above 50000 up to 150000	0.05%
Above 150000	0.03%

Investment management fee (IMF) is charged and accounted as income as per the above structure in accordance with the terms of the 'Investment Management Agreement (IMA)' entered into with the National Pension System (NPS) Trust amounting to ₹ 567,324 thousand (Previous Year ₹ 378,423 thousand) for the year ended 31st March 2025.

Notes Forming Part of the Financial Statements

20 Other income

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Investment income on current investments		
Profit on sale of investments	5,898	1,426
Investment income on long-term investments		
Interest income	39,632	39,481
Amortisation of discount/(premium) on investments	3,232	3,208
Profit on sale of property, plant and equipment	424	89
Interest on income tax refund	1,251	413
Miscellaneous Income	7	9
Total	50,443	44,626

21 Employee benefit expenses

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and bonuses	307,047	247,708
Contributions to Provident fund and National Pension Scheme	12,595	10,363
Staff welfare expenses	303	300
Total	319,945	258,371

22 Establishment expenses

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Shared Service Expenses	9,603	5,503
PFRDA licence fees	140,212	83,973
Other expenses	43	-
Total	149,858	89,475

23 Other expenses

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Brokerage expenses	4,322	3,962
Payment to auditors :		
- as auditor	350	370
- out of pocket expenses	-	7
Directors sitting fees	2,600	2,100
Legal & professional charges	6,586	5,131
Information technology support expenses	11,593	10,949
Sales incentives and marketing expenses	141,023	91,398
Travel expenses	17,699	8,789
Membership & subscription	5,132	4,721
General office expenses	1,669	633
Miscellaneous expenses	308	305
Total	191,282	128,365

Notes Forming Part of the Financial Statements

24 Depreciation and amortisation

(₹ '000)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on tangible assets	11,218	2,232
Amortisation of intangible assets	538	549
Total	11,756	2,781

25 Earnings per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit/(Loss) as per Statement of Profit & Loss (₹'000)	54,237	18,100
Weighted average number of equity shares for Basic earnings per share	54,000,000	54,000,000
Basic earnings per share (₹)	1.00	0.34
Weighted average number of equity shares for Diluted earnings per share	54,000,000	54,000,000
Diluted earnings per share (₹)	1.00	0.34
Nominal value of share (₹)	10.00	10.00

26 Financial Ratios

Particulars	Current Year	Previous Period	% Variance	Explanation for change in ratios
Current Ratio (Current Assets/Current Liabilities)	1.1	0.9	27%	Increase in current investments
Debt-equity ratio	NA	NA	-	NA
Debt service coverage ratio	NA	NA	-	NA
Return on Equity Ratio (Profit after tax/Average Equity)	8.35%	3.0%	540 bps	Increase in revenue from operations
Inventory turnover ratio	NA	NA	NA	NA
Trade Receivables turnover ratio ((Income from operation/Average trade receivables)	13.59	13.17	3%	
Trade payables turnover ratio	NA	NA	NA	NA
Net capital turnover ratio (Income from operation/Average Working Capital)	19.87	-68.67	-129%	Better management of capital
Net profit ratio (Profit after tax/ Revenue from Operation)	7.66%	3.95%	371 bps	Increase in revenue from operations
Return on Capital employed (Earning before Interest and Tax/ Capital employed)	12.69%	3.89%	880 bps	Higher expenses for driving business growth
Return on investment (Income from Investment/Average investment)	8.05%	6.88%	117 bps	

27 Tax provision

a) Direct tax

i) Provision for current tax

The Company has made a provision for income tax of ₹23.299 thousand (PY ₹6,088 thousand) in the Statement of Profit & loss Account for the year ended March 31, 2025, in accordance with the provisions of the Income Tax Act, 1961 as applicable to a company carrying on pension business,

ii) Deferred tax

With reference to the carry forward of losses /unabsorbed depreciation, in view of lack of virtual certainty supported by convincing evidence in the business, that future taxable income will be available against which the deferred tax asset can be realised, the Company has concluded that it would not be prudent to recognise deferred tax asset during the year.

Notes Forming Part of the Financial Statements

28 Leases

The Company has no operating lease during the year. In respect of the operating leases, the lease rentals debited to the Statement of Profit & Loss Account are ₹ NIL (Previous Year ₹ NIL).

29 Related party & other group company disclosures

During the year ended March 31, 2025, the Company had transactions with related parties, which have been identified by the management as per the requirements of the Accounting Standard (AS) 18, "Related Party Disclosures". Details of these related parties, nature of the relationship, transactions entered into with them and the balances in related party accounts at year end, are as mentioned below:

A) Related party disclosures as per Accounting Standard 18

Related parties and nature of relationship

Nature of the relationship	Name of Related Party
Parent Company	HDFC Bank Limited
Holding company	HDFC Life Insurance Co. Ltd.
Fellow subsidiaries	HDFC International Life and Re Company Limited
Fellow subsidiaries of holding company	HDFC Asset Management Company Limited
	HDFC Trustee Company Limited
	HDFC AMC International (IFSC) Ltd. (through HDFC Asset Management Co. Ltd.)
	HDFC ERGO General Insurance Company Limited
	HDFC Capital Advisors Limited
	HDFC Sales Private Limited
	HDFC Education and Development Services Private Limited
	Griha Investments (Subsidiary of HDFC Holdings Ltd.)
	HDB Financial Services Ltd.
	HDFC Securities Ltd.
	Griha Pte Ltd., Singapore (Subsidiary of HDFC Investments Ltd.)
	HDFC Securities IFSC Limited (w.e.f Oct 01, 2024 through HDFC Bank Ltd.)
Key management personnel	Mr. Sriram Iyer

The following are the transactions between the Company and its related parties:

		(₹ '000)			
Particulars	Description	Total value of transactions for the year ended March 31, 2025	Receivable/ (payable) at March 31, 2025	Total value of transactions for the year ended March 31, 2024	Receivable/ (payable) at March 31, 2024
HDFC Life Insurance Company Limited	Cost of resource utilisation	29,368	-	16,892	-
	Other Payable	-	-		12,385
	Transfer of Asset	790			
HDFC Bank Limited	Custodian fee and SEBI charges	26		15	
	Interest on Deposit	177	112	183	802
	Term Deposit	-	2,152		2,152
	Current Account Balance	-	16,265		14,757
HDFC ERGO General Insurance Company Limited	General Insurance Premium Paid	8		11	
Key Managerial Person	Managerial remuneration	24,100	-	20,897	-

Note:-All the related party transaction entered into by the company were in the ordinary course of business and on arm's length basis.

Notes Forming Part of the Financial Statements

30 Employee benefit obligations:

a) Defined contribution plans

During the year, the Company has recognised the following amounts in the Statement of Profit & Loss Account under defined contribution plans:

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Employees Provident Fund	10,011	8,384
Contribution to National Pension Scheme	2,584	1,979
Total	12,595	10,363

b) Defined benefit plans

i) Gratuity:

a) General description of defined plan

Gratuity: This is an unfunded defined benefit plan. The plan provides for lumpsum payment to vested employees either at retirement, or on death while in employment or on termination of employment. The benefit vests after five years of continuous service.

b) The following tables set out the status of the Gratuity plan as at March 31, 2025

The Company has recognised following amounts in the Balance Sheet:

(₹ '000)

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligations at the end of the year	13,560	12,903
Fair value of plan assets at the end of the year	-	-
Liability recognised in Balance Sheet	13,560	12,903

The Company has recognised following amounts in the Statement of Profit & Loss Account for the year:

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	3,009	2,603
Interest cost	928	619
Expected return on plan assets	-	-
Actuarial (gains)/losses	134	1,859
Total of above included in "Employee benefit expenses" in the Statement of Profit & Loss Account	4,071	5,081

Reconciliation of opening and closing balances of present value of the defined benefit obligations:

(₹ '000)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of defined benefit obligations at the beginning of the year	12,903	8,490
Unfunded liability transferred from/(to) Group Company	366	(516)
Current service cost	3,009	2,603
Interest cost	928	619
Actuarial (gains)/losses	134	1,859
Benefits paid	(3,780)	(152)
Present value of defined benefit obligations at the end of the year	13,560	12,903

Notes Forming Part of the Financial Statements

The amounts of the present value of the defined benefit obligation and experience adjustments arising on plan liabilities for the current year and comparative previous years are as given below:

(₹ '000)

Gratuity (Unfunded Plan)	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Present value of the defined benefit obligation at the end of the year	13,560	12,903	8,490	7,021	2,273
Fair value of the plan assets at the end of the year	NA	NA	NA	NA	NA
Unfunded liability transferred from/(to) Group Company	366	(516)	3,487	2,691	NA
(Surplus) / Deficit in the plan	NA	NA	NA	NA	NA
Experience adjustments on plan commitments - (Gain) / Loss	(654)	1,391	(573)	888	(112)
Experience adjustments on plan assets - Gain / (Loss)	NA	NA	NA	NA	NA

c) Principal assumptions for actuarial valuation of defined benefit obligation of gratuity plan as at the Balance Sheet date:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	6.75%	7.20%
Salary growth	8.00% for the first year and 7.50% for future years	8.00% for the first year and 7.50% for future years
Attrition rate	3.50%	3.50%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

*The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

*The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

*Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

d) Other long term employee benefits:

Amount recognised as a liability in respect of compensated leave absence as per actuarial valuation as on March 31, 2025 is ₹ 8,605 (March 31, 2024 - ₹ 7,397). The assumptions used for valuation are as given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	6.75%	7.20%
Salary growth	8.00% for the first year and 7.50% for future years	8.00% for the first year and 7.50% for future years
Attrition rate	3.50%	3.50%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Notes Forming Part of the Financial Statements

31 Segment Reporting

As per Accounting Standard (AS) 17 on "Segment Reporting" the company has two business segments - 'Pension fund business' and 'Point of Presence'. Since the business operates in India only, there are no geographical segments.

(₹ '000)

	Year ended March 31, 2025 (Audited)			
	Pension Fund Management	Point of Presence	Unallocated corporate overheads	Total
Segment revenue	567,324	140,923	50,443	758,690
Segment results	295,838	50,225	(260,214)	85,849
Depreciation/Amortisation	227	311	11,218	11,756
Segment assets	61,129	346,562	851,939	1,259,630
Segment liabilities	(56,797)	(391,141)	(135,119)	(583,057)
Significant non-cash expenses	-	-	-	-

(₹ '000)

	Year ended March 31, 2024 (Audited)			
	Pension Fund Management	Point of Presence	Unallocated corporate overheads	Total
Segment revenue	378,423	80,131	44,626	503,180
Segment results	55,416	(31,410)	(5,906)	18,100
Depreciation/Amortisation	282	267	2,232	2,780
Segment assets	42,454	4,231	748,546	795,230
Segment liabilities	(54,416)	(23,654)	(94,825)	(172,894)
Significant non-cash expenses	-	-	-	-

32 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes Forming Part of the Financial Statements

- (vii) The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) Section 135 Corporate Social Responsibility of the Companies Act, 2013 is not applicable to the Company.
- (ix) The Company does not have any investment property.
- (x) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (xi) No loans and advances were granted to promoters, directors, KMPs.
- (xii) The Company has neither declared nor paid any dividend during the year.

33 Encumbrances on assets: The assets of the Company are free from all encumbrances as at March 31, 2025, except for Bank Fixed deposit of ₹ 2,000 thousands (Previous year ₹ 2,000 thousands) with lien in favour of PFRDA and of ₹ 138 thousands (Previous year ₹ 138 thousands) as a security towards guarantee issued by the bank on behalf of the Company in favour of the Steel Authority of India Ltd (SAIL) (Refer Note 34 on contingent liabilities below).

34 Contingent liabilities

(₹ '000)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank Fixed Deposit with lien in favour of PFRDA	2,000	2,000
Bank guarantee given on behalf of Company issued in favour of the SAIL	138	138
Statutory demand and liability in dispute*	452	3,604
Total	2,590	2,138

*Statutory demands and liabilities in dispute, not provided for, relate to the show cause notices received by the Company from GST Authorities. The Company has filed appeals with the appellate authorities and has been advised by the experts that the grounds of appeal are well supported in law in view of which the Company does not expect any liability to arise in this regard.

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

36 Previous year comparatives

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

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CIN: U66020MH2011PLC218824