

DIRECTORS' REPORT OF MAX LIFE PENSION FUND MANAGEMENT LIMITED ("Company" or "Max Life PFM)

Your directors are pleased to present its 1st Directors' Report of your Company with the audited accounts since incorporation i.e. February 28, 2022 till the Financial Year ended on March 31, 2023.

INTRODUCTION

Max Life Pension Fund Management Ltd. is a wholly owned subsidiary of Max Life Insurance Company Limited which is India's leading private life insurance company managing Asset Under Management (AUM) of Rs. 1 lakh+ Crore (Source: Max Life Public disclosure, FY 21-22)

Max Life Pension Fund Management Ltd. registered as a Pension Fund Manager (PFM) under Pension Fund Regulatory & Development Authority (PFRDA) to manage pension corpus for the subscribers of NPS. The team at Max Life Pension Fund Management are a group of seasoned executives with extensive experience and are well equipped in investing & managing diversified asset classes.

ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92 OF THE COMPANIES ACT, 2013

In line with the Companies Act, 2013, a copy of the annual return for the period from the incorporation of the Company i.e. February 28, 2023 till the Financial Year ended on March 31, 2023 shall be placed on the website of the Company, which can be viewed on weblink:

<https://www.maxlifepensionfund.com/public-disclosure>

BOARD OF DIRECTORS AND ITS MEETINGS

The Board of Directors (individually and collectively) is responsible to act in the best interest of the Company, its subscribers and its shareholders. The Board of Directors primarily reviews the Company's strategic direction, monitors Company's performance, counsels management on business related matters, monitors and manages potential conflict of interests between management, Board and shareholders, approving frameworks and policies and monitors their implementation, monitors the effectiveness of Company's governance practices, provide oversight of the integrity of financial information and that of legal & compliance related matters.

The Board comprises of three Independent Directors and a Non-Executive Director as on date, names of whom are as follows:

Name of the Director	Designation
Mr. Prashant Kumar Tripathy	Chairman & Non-Executive Director
Mr. Ashok Kacker	Independent Director
Mr. K. Narasimha Murthy	Independent Director
Ms. Sonu Halan Bhasin	Independent Director

Since incorporation of the Company i.e. February 28, 2022, the Board of Directors met five times as follows and the time gap between two successive Board meetings did not exceed 120 days:

- i) March 23, 2022
- ii) June 20, 2022
- iii) July 26, 2022
- iv) October 14, 2022
- v) January 25, 2023

DIRECTORS RESPONSIBILITY STATEMENT

The board of directors of your Company confirms that:

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

REPORTING OF FRAUD BY AUDITORS OF THE COMPANY UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

No frauds have been reported by the auditors of your Company to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149 THE COMPANIES ACT, 2013

Your Company has received declarations from the independent directors of the Company confirming that:

- i) They meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.
- ii) They have duly complied with the provisions of sub-rule (1) & (2) of Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 i.e. inclusion of their names in the databank for independent directors.

DIRECTORS' COMMENTS ON QUALIFICATION, RESERVATION, DISCLAIMERS AND ADVERSE REMARKS

Statutory Audit

M/s Singhi & Co, Chartered Accountants, have no qualification, reservation, disclaimers and adverse remarks in its auditors' report for the period since incorporation till FY ended March 31, 2023.

Secretarial Audit

M/s. Chandrasekaran Associates, Company Secretaries, Delhi, Secretarial Auditors of the Company have no qualification, reservation, disclaimers and adverse remarks in the Secretarial Audit Report for the period since incorporation till FY ended March 31, 2023.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE 2013 ACT

Your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013 exceeding the limits prescribed under the said provisions.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178 OF THE COMPANIES ACT, 2013

The 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 Policy is enclosed herewith as **Annexure II**.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY U/S 188(1) OF THE COMPANIES ACT, 2013

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. The requisite disclosure of the related party transactions has been made in the notes to accounts of your Company's financial statements for FY23.

In addition, the particulars of contracts or arrangements as entered with related parties of your Company are enclosed herewith in the prescribed format i.e. Form AOC-2, as **Annexure III**.

THE STATE OF COMPANY'S AFFAIRS

Following are the key points to be noted:

- Successfully launched POP operations within 22 days of receiving the POP license
- Crossed Rs.140 cr. mark of AUM in FY 23 vs the plan of Rs. 56 cr.
- Total income on YTD Mar 23 stands at 2.81 cr as compared with 2.61 cr as per plan.
- Total income includes 'Investment Management Fees' of ~ Rs. 1.41 lakhs. Rest is income from liquid and overnight mutual fund/Fixed deposit / fixed income instrument.
- Total income is higher considering better yield on investment amid rising interest rates.
- Total expenses are lower due to saving in staff cost.
- Established our digital presence across social media channels.
- Conducted multiple NPS awareness sessions for internal & external audience with special focus on women's financial literacy
- Marked our presence in industry through initiatives like Fireside chat with Protean, conducted ICAI event, sponsored government office initiatives.
- Completed setting up of POP operations
- Successfully completed one internal audit.

AMOUNT PROPOSED TO CARRY TO ANY RESERVES

No amount has been carried to any reserves during the period.

DIVIDEND

No dividend declared or paid till date.

KEY MANAGERIAL PERSONNEL (“KMP”) U/S SECTION 203 OF THE COMPANIES ACT, 2013

Since incorporation i.e. February 28, 2022, the following persons were holding the position of Key Managerial Personnel:

- a) Mr. Sachin Arora as Chief Executive Officer for an interim period w.e.f. June 21, 2022 till the appointment of Mr. Ranbheer Dhariwal
- b) Mr. Ranbheer Dhariwal as Chief Executive Officer w.e.f. October 15, 2022
- c) Mr. Suresh Bhagavatula as Chief Financial Officer
- d) Mr. Piyush Soni as Company Secretary

NAME OF COMPANIES THAT HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR, ALONG WITH REASONS THEREOF

No Company has become or ceased to be a subsidiary, joint venture or associate Company of your Company during the year.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The internal financial controls to be followed by the Company have duly been laid down and such internal financial controls were adequate and operating effectively during the year.

PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

ANNUAL EVALUATION

For FY23, the annual evaluation of the performance of the board, the committees, individual directors including independent directors and the chairman has been carried out in line with requirements under the Companies Act, 2013. This was carried out by obtaining feedback from all directors through questionnaires. The outcome of the said performance evaluation was circulated to the nomination and remuneration committee of your Company on April 24, 2023 and placed before the Board in its meeting on April 25, 2023.

In addition, the independent directors met separately without the attendance of non-independent directors and members of management, wherein they discussed and reviewed the performance of non-independent directors, the Board as a whole and also the performance of the chairman of the Company. They further assessed the quality, quantity and timeliness in respect of flow of information between the Company's management and the Board. Overall, the independent directors expressed their satisfaction on the performance and effectiveness of the Board, individual non-Independent board members, and the chairman, as also on the quality, quantity and timeliness of flow of information between the Company management and the Board.

CHANGE IN THE NATURE OF BUSINESS DURING THE FINANCIAL YEAR

There was no change in the nature of business during the financial year.

MATERIAL CHANGES AND COMMITMENT

During the year, there were no material changes and /or commitments that have an effect on the financial position of the Company except as mentioned elsewhere in this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations during the year as well as in the future.

RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. The same can be assessed on the website of the Company.

ADDITIONAL INFORMATION

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021, is as follows:

A.	Conservation of energy	NA
B.	Technology absorption	As below
C.	Foreign Exchange Earnings/Inflow and Outgo	Year ended 31.03.2023 (INR crore)
	Earnings/ Inflow (including equity infusion)	NIL
	Outgo	NIL
	Activities relating to exports, initiatives taken to increase exports, develop new export markets, export plan, etc.	NA

TECHNOLOGY ABSORPTION

The company is currently using a technology platform offered by CRAs for onboarding of NPS subscribers.

Further, a comprehensive and easy onboarding and servicing platform for customers and partners in progress, which will be native to the Company.

MAINTENANCE OF COST RECORDS

The maintenance of cost records, for the services rendered by the Company, as specified by the Central Government under section 148 of the Companies Act, 2013, is not required.

COMPLIANCE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENTS

Your directors take this opportunity to express their sincere thanks to valued customers for their belief in us.

Further, the board of directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by the whole management team.

Date: April 25, 2023
Place: Gurugram

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Prashant Tripathy', written in a cursive style.

Mr. Prashant Tripathy
Chairman and Non-Executive Director
DIN:08260516

List of Annexures

S. No.	Particulars	Relevant Rules	Relevant Form	Annexure No.
3.	Contracts and arrangements with Related Parties	Section 188(1) read with Section 134(3)(h) of the Companies Act, 2013	Form AOC-2	I
4.	Nomination & Remuneration Policy	Section 178(4) of the Companies Act, 2013 read with Section 134(3)(e)	NR Policy	II
5.	Secretarial Audit Report	Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014	Form MR-3	III

Form AOC-2

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

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

A Details of contracts or arrangements or transactions not on arm's length basis since incorporation till FY23 ended March 31, 2023

Related Party Transactions

S.No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (Feb 28, 2022 - Mar 31, 2023)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Boards, if any	Amount Paid as advance if any
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None

B Details of contracts or arrangements or transactions at arm's length basis since incorporation till FY23 ended March 31, 2023

Related Party Transactions

S.No.	Name of the related party	Nature of Relationship	Nature of Contract	Amount spent / received in Transaction Period (Feb 28, 2022 - Mar 31, 2023)	Duration of the Contract	Salient Terms of contract or arrangements or transactions including the value	Dates of approval by the Boards if any	Amount Paid as advance if any
1	Max Life Insurance Company Limited	Holding Company	Payment for reimbursement of Expenses	2,28,54,942	Not Applicable	Staff Cost, IT Expense, Occupancy, Marketing & Other Costs	Not Applicable as per the Companies Act	Nil
2	Max Life Insurance Company Limited	Holding Company	MLI's Employees' NPS Contribution*	-40,91,060	Not Applicable	NPS Contribution	Not Applicable as per the Companies Act	Nil
3	Max Life Insurance Company Limited	Holding Company	Subscription to the Share Capital	-55,00,00,000	Not Applicable	Subscription to the Share Capital	Not Applicable as per the Companies Act	Nil

*The POP commission (Rs. 17,610) is attributable to the quantum of NPS Contribution received from MLI's Employees (i.e. Rs. 40,91,060) and thereby booked as MLPFM's income. The commission was recovered from the contribution itself. No separate transaction was made with MLI for the commission. The NPS contribution itself has no effect on MLPFM's Financials.

For and on behalf of Board of Directors of Max Life Pension Fund Management Limited



Prashant Tripathy
Chairman & Non-executive Director (DIN: 08260516)

Date: April 25, 2023

Place: Gurugram

Annexure – II
NOMINATION AND REMUNERATION POLICY
Max Life Pension Fund Management Limited

I. PREAMBLE

- 1.1 Max Life Pension Fund Management Limited (“**Company**”) has in place a Nomination and Remuneration Committee (“**Committee**”) which shall at all times comprise 3 (Three) or more non-executive Directors, of which at least half shall be Independent Directors, as required under section 178 of the Companies Act, 2013 as amended from time to time (“**Companies Act**”).
- 1.2 This Nomination and Remuneration Policy (“**Policy**”) has been prepared in compliance with the applicable provisions of the Companies Act and the PFRDA Act, 2013 and the Regulations made thereunder as amended from time to time (“**Applicable Laws**”).
- 1.3 The Policy will be reviewed annually or as may be required to ensure alignment with statutory and regulatory requirements.
- 1.4 In case of any deviation between the provisions of this Policy and Applicable Laws, the latter shall prevail.

II. DEFINITIONS

“**Board**” means Board of Directors of the Company.

“**Company**” means Max Life Pension Fund Management Company Limited.

“**Director**” means a director appointed to the Board of the Company.

“**Manager**” means a manager as defined under the Companies Act.

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act as amended from time to time.

“**Key Management Personnel**” or “**KMP**” means:

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed under the Companies Act

“**NRC**” or “**Committee**” means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company, in accordance with the provisions of Section 178 of the Companies Act.

“**Other employees**” means all full time employees of the Company excluding MD/ CEO/ WTD/ Managers and KMPs.

“**Policy**” means this Nomination and Remuneration Policy.

“**Remuneration**” means any money or its equivalent/ benefit/ amenity/ perquisite given or passed to any person for services rendered by him/ her and includes perquisites as defined under the Income-tax Act, 1961.

III. GUIDING PRINCIPLES/ OBJECTIVES

The objective of the Policy is to provide an overall framework for the Remuneration of the Directors, KMPs and other employees of the Company. In this regard, the Policy seeks to ensure that:

- (a) there is effective governance of Remuneration by active Board oversight;
- (b) there is effective alignment of Remuneration to prudent risk taking and that the Remuneration does not induce excessive or inappropriate risk taking that could be detrimental to the interests of the business and its stakeholders;
- (c) the level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and other employees having the quality required to run the Company successfully;
- (d) The interests of Executives are aligned with the business strategy, risk tolerance and adjusted for risk parameters, objectives, values, culture and long term interests of the Company;
- (e) Relationship of Remuneration to performance is clear, meeting appropriate performance benchmarks and consistent with the "pay-for-performance" principle;
- (f) Remuneration involves a balance between fixed and variable pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.
- (g) The remuneration and other benefits of the KMPs and other team members who are deputed by Max Life Insurance Company Limited (“**MLIC**”), the sponsor and holding company of the Company and are on the payroll of MLIC shall be determined as per the prevailing policies of MLIC.

IV. ROLE OF THE COMMITTEE

The role of the Committee shall be to ensure compliance to the relevant provisions of the Applicable Laws.

The Committee should recognize the potential conflicts inherent in recommendations from Company’s management dealing with Remuneration and ensure that recommendations from management are supplemented with external advice when appropriate.

V. APPOINTMENT AND REMOVAL OF DIRECTOR/ MD/ CEO/ WTD/ MANAGER AND KMPs

- 5.1 At least fifty per cent of the Directors of the Company shall have adequate professional experience in Finance and Financial services related fields or the adequate qualification as may be prescribed by the Applicable Laws.
- 5.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director or KMP and recommend his/ her appointment to the Board.

- 5.3 A Director or KMP should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment as Director or KMP. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- 5.4 The requisite undertakings from the KMPs and Directors under Regulation 8 read with Schedule II of the PFRDA (Pension Fund) Regulation, 2015 shall be obtained at the time of appointment and subsequently on a periodical basis as per the PFRDA (Pension Fund) Regulations, 2015.
- 5.5 The Committee shall ensure that a requisite framework exists for appointments and qualification requirements for the human resources and which ensures that the incentive structure does not encourage imprudent behavior.

Any change in the Key Management Personnel shall be intimated to the PFRDA within 15 days of occurrence of such change and adequate filing shall be done with the Ministry of Corporate Affairs within the stipulated timelines.

VI. TERM AND TENURE

6.1 MD/CEO/ WTD/Manager:

The Company shall appoint or reappoint any person as its MD/ CEO/WTD/Manager for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

6.2 Independent Director:

- (a) The Board of Directors of the Company shall have at least fifty percent Independent Directors
- (b) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- (c) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible again for appointment, after expiry of three years from date of ceasing to be an Independent Director.

VII. EVALUATION

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013 as amended from time to time and present a report thereon to the Board.

VIII. REMOVAL

Due to reasons for any disqualification mentioned in the Applicable Laws, the Committee may recommend, to the Board for reasons recorded in writing, removal of a Director or KMP.

IX. RETIREMENT

The Director or KMP shall retire as per the applicable provisions of the Companies Act and the

prevailing policy of the Company. The Board will have the discretion to retain the Directors/ KMPs in the same position/ Remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to passing a special resolution, as applicable.

X. PROVISIONS RELATING TO REMUNERATION

10.1 Remuneration of KMPs and Executive Directors

10.1.1 Applicable Laws, Guidelines and Required Approvals

- (a) The Remuneration of KMPs and Directors will be determined by the Committee and recommended to the Board for approval.
- (b) The Remuneration and commission to be paid shall be as per the applicable provisions of the Companies Act, applicable PFRDA Regulations and rules, regulations and guidelines made thereunder.
- (c) The remuneration of KMPs and other staff members who are deputed in the Company by Max Life Insurance Company Limited ("**MLIC**"), the sponsor and holding company of the Company and are on the payroll of MLIC shall be regulated by MLIC as per the prevailing policies of MLIC.

10.1.2 Stock Options

The NRC/ Board may consider granting of stock options. Issue of stock options and sweat equity shares shall be governed by the provisions of the Companies Act, PFRDA Regulations, the Companies (Share Capital and Debenture) Rules, 2014, as amended from time to time. Details of stock options to Directors shall be disclosed in line with disclosure requirements stipulated for the financial statements of the Company.

10.2 Remuneration to Non-Executive Directors

Subject to the approval of Board and shareholders in accordance with the statutory provisions of the Companies Act and the rules made thereunder, the non-executive Directors may be paid profit linked commission from time to time, provided that the Company is making profit.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such Director, determine and pay different commission, to each non-executive Director.

10.3 Remuneration to Other Employees

The remuneration of other employees shall be determined according to their qualifications, work experience, competencies as well as their roles and responsibilities in the Company.

10.4 Stock Options

- (a) An Independent Director shall not be entitled to any stock option of the Company.
- (b) The Company may, in line with applicable provisions of Companies Act and amendments and rules thereunder, wherever applicable, grant units of the Company to any non-executive Director.

10.5 Pay Mix

The total Remuneration paid to KMPs shall have a fixed component and a variable component linked to individual and organizational performance. Proper balance between fixed and variable components will be ensured by the NRC/ Board as per the policy of the Company.

- (a) **Fixed pay** may comprise basic salary, house rent allowance, other allowances and retiral benefits like provident fund, gratuity and superannuation. The amount of fixed pay shall be reasonable taking into account the Company's overall business performance and industry remuneration scales.
- (b) **Variable pay** components may be linked to compliance in full or in part with the targets. These may comprise personal targets linked to the performance of the executive in question, delivery of annual business results by the Company and/or the unit in which the executive works for having regard to the prevailing business environment or the occurrence of a specific event. In addition, loyalty, attitude, foresight, potential for growth, motivation, dependability, initiative and such other factors as deemed appropriate may also be taken into consideration.

It may be paid in the form of cash, equity/ stock linked instruments or both. It is clarified that employee stock option plans would not be considered as part of variable pay.

10.6 Engagement for Professional Services

The Company may, in line with the provisions of Applicable Laws, engage any non – executive Director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that such Director possesses the requisite qualification for providing such services.

10.7 Sitting Fees

A non-executive director may receive Remuneration by way of fees for attending meetings of Board or Committee as may be decided by the Board. Provided, however, that the amount of such fees shall not exceed the maximum amount per meeting as may be prescribed in the Companies Act, PFRDA Regulations or by the Central Government from time to time. The non-executive Directors and Independent Directors shall, in addition to the sitting fees, be entitled for reimbursement of their expenses for participating in the Board and Committee meetings, as may be decided by the Board.

XI. DEVIATIONS FROM THIS POLICY

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in individual cases.

XII. OWNER OF THE POLICY

The Policy is owned by the Committee.

Form No. MR-3
Secretarial Audit Report
For the financial year ended March 31, 2023

[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]

The Members

Max Life Pension Fund Management Limited,
3rd Floor, Plot no. 90C, Sector 18,
Urban Estate Gurugram
Haryana 122001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Max Life 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 from the incorporation of the Company on February 28, 2022 covering the financial year ended on March 31, 2023 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 on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; applicable only to the extent of dematerialization of equity shares
- (iv) 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 Borrowings; **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**

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- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 prior to its repealment and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client only to the extent of securities issued;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (including erstwhile regulation); **Not Applicable**
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sector/ Industry are:
- 1. The Pension Fund Regulatory and Development Authority Act, 2013 and the regulations made thereunder for the time being in force;

We have also examined compliance with the applicable clauses/Regulations of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- ii. Regulations issued by the Pension Fund Regulatory and Development Authority to the extent applicable on the Company.
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: **Not Applicable**.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except delay in filing of few forms with Registrar of Companies("ROC").

Further the Company has received a letter from National Pension System Trust dated January 16, 2023 in reference to violation of applicable Investment Guidelines issued by PFRDA vide Circular PFRDA/2021/28/REG-PF/3 dated July 20, 2021.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. During the period under review, board approved the appointment of Mr. Ranbheer Dhariwal as the CEO of the company with effect from October 15, 2022 in place of Mr. Sachin Arora, who was appointed as the CEO of the Company for an interim period.

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Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at the shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 audit period, no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

ROOPA
SULTANIA

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ROOPA SULTANIA
Date: 2023.04.25
12:57:38 +05'30'

Roopa Agarwal

Partner

Membership No. A25656

Certificate of Practice No. 11037

UDIN: A025656E000157821

Date: 25.04.2023

Place: Delhi

Note:

- (i) This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- (ii) We conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

Annexure-A

The Members,
Max Life Pension Fund Management Limited,
3rd Floor, Plot no. 90C, Sector 18,
Urban Estate Gurugram
Haryana 122001

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 the random 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. Wherever 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 random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021

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ROOPA SULTANIA
Date: 2023.04.25 12:57:53
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Roopa Agarwal
Partner

Membership No. A25656
Certificate of Practice No. 11037
UDIN: A025656E000157821
Date: 25.04.2023
Place: Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Life Pension Fund Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Max Life Pension Fund Management Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the period 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 principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

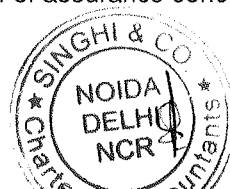
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Reporting of Key audit matters are not applicable on the Company being unlisted entity.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board's Report including annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The Board Report is expected to be made available to us after the date of this auditor's report. 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 in the 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. When we read the Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management for the Financial Statements

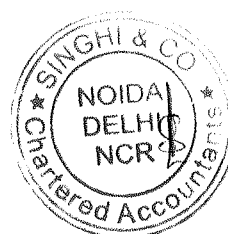
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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.



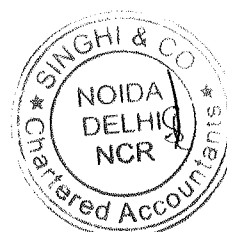
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 control 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

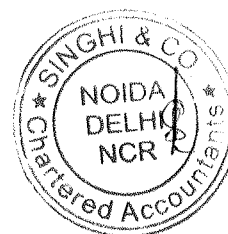
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) In our opinion and according to the information and explanations given to us, the managerial remuneration paid/ provided by the company for the period ended March 31, 2023 is in accordance with the provisions of section 197 read with schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amount 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, other than as disclosed in the notes to the accounts, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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 such audit procedures, we have 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) contain any material mis-statement.
- v. The Company has not declared and paid any dividend during the period. Therefore, reporting in this regard is not applicable to the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company w.e.f. April 1, 2023. Therefore, reporting in this regard is not applicable.

Date: April 25, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Chanderkant Choraria
Chanderkant Choraria

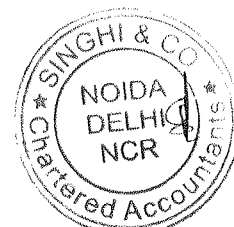
Partner

Membership No.521263

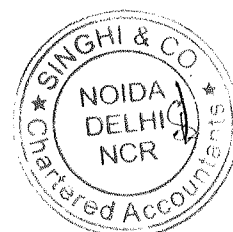
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Annexure A to Independent Auditor's Report of even date to the members of Max Life Pension Fund Management Limited on the financial statements as of and for the period ended March 31, 2023 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)

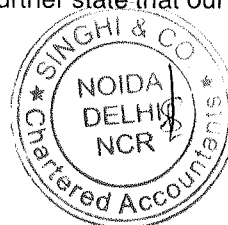
- (i) a. (A) The Company does not have any Property, Plant & Equipment and accordingly, the requirement to report on clause 3(i)(a)(A) of the Order is not applicable to the Company.
(B) The Company does not have any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- b. The Company does not have any Property, Plant & Equipment and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable to the Company.
- c. There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- d. The Company does not have any Property, Plant & Equipment, and intangible assets. Therefore, the provisions of clause 3(i)(d) of the Order in respect of revaluation of Property, Plant & Equipment are not applicable to the Company.
- e. According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(1)(e) of the Order are not applicable to the Company.
- (ii) a. The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b. Based on our examination of the books of accounts of the Company, the Company has not been sanctioned working capital limits from banks or financial institutions during the period. Therefore, the provisions of clause 3(ii)(b) of the Order are not applicable to the Company.
- (iii) 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 partnership or any other parties except investment in a mutual fund, non-convertible debenture and state development loans which is not prejudicial to the interest of the Company. Therefore, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or securities covered under section 185 & section 186 of the Act. In respect of investment made by the company, in our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Act.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the period. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.



- (vii) a. According to the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute.
- (viii) According to the information and explanation given to us, there was no transactions which have not recorded in the books of account, but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the period.
- (ix) a. The Company has not taken any loans or other borrowings from any lender. Therefore, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company.
- b. According to information and explanations given by the management, the Company is not declared willful defaulter by any bank or financial institution or other lender during the period.
- c. The Company has not obtained term loans during the period. Therefore, the provisions of clause 3(ix)(c) of the Order are not applicable to the Company.
- d. The Company has not raised funds on short term basis during the period. Therefore, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.
- e. According to the information and explanations given to us, the Company has no subsidiaries, joint ventures or associates. Therefore, the provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- (x) a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the period. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the period. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) a. Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the period nor have we been informed of any such case by the management.
- b. During the period, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanation given to us, there are no whistle-blower complaints received by the Company during the period.



- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) As per records of the Company examined by us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) The reports of internal auditor issued for the period till Dec'22 received upto the date of financial statement has been considered by us.
- (xv) According to the information and explanations given to us, during the period in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them, hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the period. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the information and explanation given to us by the management, the Group has no CICs which are registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the financial period. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of statutory auditors during the period. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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

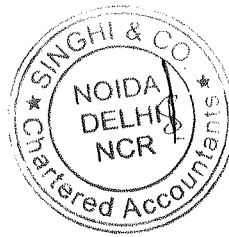


facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company is not required to spent any amount under section 135 of the Companies Act, 2013 towards Corporate Social Responsibility. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.
- (xxi) The Company does not have subsidiary, associate or joint venture. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the Company.

Date: April 25, 2023

Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Chanderkant Choraria

Chanderkant Choraria

Partner

Membership No. 521263

UDIN : 23521263BGXKHA1684

Annexure B to Independent Auditor's Report of even date to the members of Max Life Pension Fund Management Limited on the financial statements for the period ended March 31, 2023 (Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

We have audited the internal financial controls with reference to financial statements of Max Life Pension Fund Management Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

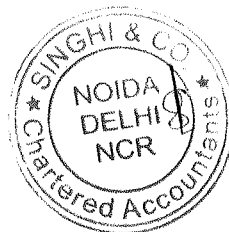
A Company's Internal Financial Controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, the Company has, in all material respects, 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.



Date: April 25, 2023

Place: Noida (Delhi – NCR)

For Singhi & Co.

Chartered Accountants

Firm Reg. No. 302049E

(Chanderkant Choraria)

Chanderkant Choraria

Partner

Membership No. 521263

UDIN : 23521263BGXKHA1684

Max Life Pension Fund Management Limited
CIN: U66020HR2022PLC101655
Registered Office: 3rd Floor, Plot no. 90C, Sector 18, Urban Estate Gurugram, Haryana-122001
Website: www.maxlifepensionfund.com
Balance Sheet as at 31 March, 2023

Particulars	Note No.	As at 31.03.2023 (Rs. in lakhs)
A. ASSETS		
1. Financial assets		
(a) Cash and cash equivalents	3	7.27
(b) Bank balances other than (a) above	4	20.00
(c) Trade receivables	5	0.58
(d) Investments	6	5,676.60
(e) Other financial assets	7	88.76
Total financial assets		5,793.21
2. Non financial assets		
(a) Current tax assets (Net)	8	2.96
(c) Other non-financial assets	9	28.51
Total non-financial assets		31.47
Total assets		5,824.68
B. LIABILITIES AND EQUITY		
I LIABILITIES		
1. Financial liabilities		
Financial liabilities		
(a) Trade payables	10	
(i) total outstanding dues of micro enterprises and small enterprises		4.32
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		96.92
(b) Other financial liabilities	11	200.25
Total financial liabilities		301.49
2. Non financial liabilities		
(a) Deferred tax liabilities (net)	13	1.41
(b) Other non-financial liabilities	12	11.27
Total non-financial liabilities		12.68
Total liabilities		314.17
II EQUITY		
(a) Equity share capital	14	5,500.00
(b) Other equity	15	10.51
Total equity		5,510.51
Total liabilities and equity		5,824.68

The accompanying notes are an integral part of the financial statements.

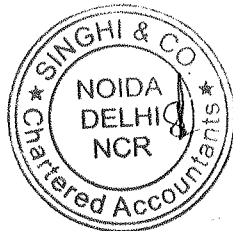
1 to 44

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm's Registration No: 302049E

Chanderkant Choraria
Chanderkant Choraria
Partner
Membership No: 521263

Place: Noida (Delhi - NCR)
Date: 25th April, 2023



For and on behalf of the Board of Directors
Max Life Pension Fund Management Limited

Prashant Tripathy
Prashant Tripathy
Chairman
DIN: 08260516

Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
PAN: AIWPB7392Q

Place: Gurugram
Date: 25th April, 2023

Ranbheer Dhariwal
Ranbheer Dhariwal
Chief Executive Officer
PAN: AJRPD5671L

Piyush Soni
Piyush Soni
Company Secretary
M.No.- A39924

Max Life Pension Fund Management Limited
CIN: U66020HR2022PLC101655
Registered Office: 3rd Floor, Plot no. 90C, Sector 18, Urban Estate Gurugram, Haryana-122001
Website: www.maxlifepensionfund.com
Statement of Profit and Loss for the period ended 31 March, 2023

Particulars	Note No.	Period ended 31.03.2023 (Rs. in lakhs)
1. Revenue from operations		
(a) Fund management fee		1.41
(b) POP commission		0.22
2. Total revenue from operations		<u>1.63</u>
3. Other income		
(a) Interest income	16	55.72
(b) Net gain on fair value changes - on investments in mutual funds	17	223.95
4. Total Other Income		<u>279.67</u>
5. Total Income (3+4)		<u>281.30</u>
6. Expenses		
(a) Employee benefits expense	18	163.89
(b) Other expenses	19	103.29
7. Total expenses		<u>267.18</u>
8. Profit before exceptional items and tax (5-7)		<u>14.12</u>
9. Tax expense		
(a) Current tax	13	2.20
(b) Deferred tax charge/(credit)	13	1.41
Total tax expense		<u>3.61</u>
10. Profit for the period from continuing operations(7-8)		<u>10.51</u>
11. Other comprehensive income/(loss)		
12. Total other comprehensive income/(loss)		<u>-</u>
13. Total comprehensive income for the year (9+11)		<u>10.51</u>
14. Earnings per equity share (EPS) (Face value of Rs. 10 per share)	22	
Basic (in Rs.)		0.02
Diluted (in Rs.)		0.02

The accompanying notes are an integral part of the financial statements.

1 to 44

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm's Registration No: 302049E

Chanderkant Chordia
Partner
Membership No: 521263

Place: Noida (Delhi - NCR)
Date: 25th April, 2023



For and on behalf of the Board of Directors
Max Life Pension Fund Management Limited

Prashant Tripathy

Prashant Tripathy
Chairman
DIN: 08260516

Suresh Bhagavatula

Suresh Bhagavatula
Chief Financial Officer
PAN: AIWPB7392Q

Place: Gurugram
Date: 25th April, 2023

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Chief Executive Officer
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Piyush Soni

Piyush Soni
Company Secretary
M.No.- A39924

Max Life Pension Fund Management Limited
CIN: U66020HR2022PLC101655
Registered Office: 3rd Floor, Plot no. 90C, Sector 18, Urban Estate Gurugram, Haryana-122001
Cash Flow Statement for the period ended 31 March, 2023

Particulars	Period ended 31.03.2023 (Rs. in Lakhs)
A. Cash flow from operating activities	
Profit before tax	14.12
Adjustments for :	
Interest income	(55.72)
Fair Value changes on Investments in mutual funds	(223.95)
Operating profit before working capital changes	(265.55)
Changes in working capital:	
<u>Adjustments for (increase)/ decrease in operating assets:</u>	
Bank balances other than Cash and cash equivalents	
Trade receivables	(0.58)
Other financial assets	(1.50)
Other non-financial assets	(28.51)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>	
Trade payables	101.24
Other non-financial liabilities	11.27
Cash generated from operations	(183.63)
Net income tax (paid) / refunds	(5.16)
Net cash flow from / (used in) operating activities	(A) (188.79)
B. Cash flow from investing activities	
Bank balances not considered as Cash and cash equivalents (placed) / matured	(20.00)
Interest income received	45.17
Investments in mutual funds	
- Purchased	(13,492.44)
- Proceeds from sale	11,670.72
Investments in non convertible debentures	
- Purchased	(2,494.65)
Investments in state development loans	
- Purchased	(1,012.75)
Net cash flow from / (used in) investing activities	(B) (5,303.94)
C. Cash flow from financing activities	
Proceeds from issue of equity shares	5,500.00
Net cash (used in) financing activities	(C) 5,500.00
Net (decrease)/increase in cash and cash equivalents	(A+B+C) 7.27
Cash and cash equivalents as at the beginning of the year	-
Cash and cash equivalents as at the end of the year (See note 3)*	7.27
* Comprises:	
a. Balance with scheduled banks	
- in current accounts	7.27
	7.27

The accompanying notes are an Integral part of the financial statements.

1 to 44

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm's Registration No: 302049E

Chanderkant Choraria
Partner
Membership No: 521263

Place: Noida (Delhi - NCR)
Date: 25th April, 2023



For and on behalf of the Board of Directors
Max Life Pension Fund Management Limited

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DIN: 08260516

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Chief Financial Officer
PAN: AIWPB7392Q

Place: Gurugram
Date: 25th April, 2023

Ranbheer Dharwal
Chief Executive Officer
PAN: AJRPD5671L

Piyush Soni
Company Secretary
M.No.- A39924

Max Life Pension Fund Management Limited
CIN: U66020HR2022PLC101655
Statement of Changes in Equity for the period ended 31 March, 2023

a. Equity share capital

Particulars	(Rs. in lakhs)		
	Balance at the beginning of the period	Changes	Balance at the end of the period
	Amount	Amount	Amount
Equity share of Rs. 10 each fully paid up			
Changes in equity share capital during the period			
Issue of equity shares (See note 14)	-	5,500.00	5,500.00
Balance at March 31, 2023	-	5,500.00	5,500.00

b. Other equity

Particulars	(Rs. in lakhs)	
	Reserves and Surplus	Total
	Retained earnings	
Profit/(Loss) for the period	10.51	10.51
Total comprehensive income/(loss) for the period	10.51	10.51
Balance at March 31, 2023	10.51	10.51

The accompanying notes are an integral part of the financial statements.

1 to 44

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm's Registration No: 302049E

Chanderkant Choraria
Partner
Membership No: 521263

Place: Noida (Delhi - NCR)
Date: 25th April, 2023



For and on behalf of the Board of Directors
Max Life Pension Fund Management Limited

Prashant Tripathy
Chairman
DIN: 08260516

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Chief Financial Officer
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Place: Gurugram
Date: 25th April, 2023

Ranbheer Dhariwal
Chief Executive Officer
PAN: AJRPD5671L

Piyush Soni
Company Secretary
M.No.- A39924

Max Life Pension Fund Management Limited
CIN: U66020HR2022PLC101655
Notes forming part of the financial statements

Note No.	Particulars
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1. Corporate information

Max Life Pension Fund Management Limited is a wholly owned subsidiary of Max Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on February 28, 2022 with Registration Number U66020HR2022PLC101655 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority ("PFRDA") has granted Certificate of Registration vide a letter dated April 20, 2022 (bearing registration No.: PFRDA/ PF/2022/02) to Max Life Pension Management Limited to act as pension fund under National Pension System (NPS). The registered address of the Company is 3rd Floor, Plot no. 90C, Sector 18, Urban Estate Gurugram, Haryana-122001.

2. Significant accounting policies

2.1 Basis of preparation

(i) Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, issued thereunder and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

The term 'period' refers to statement of profit and loss and cash flow statement is for the period started from 28th February 2022 (being the date of incorporation) to 31st March 2023 and financials were prepared for the first time.

(ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

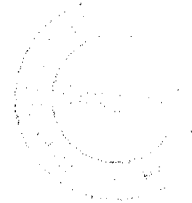
The financials are presented in Indian National Rupee (Rs) which is the company functional currency. All amounts have been rounded to the nearest Lakhs except where otherwise indicated.

2.2 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.3 Cash flow statement

Cash flows are reported using indirect method, whereby Profit/(loss) before tax reported under Statement of Profit and loss is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.



2.4 Revenue recognition

The company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from contracts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from services

The Company manages the investments of the National Pension System as formed by the Government of India through the Pension Fund Regulatory & Development Authority (PFRDA). Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Investment Management Fee is recognised at specific rates agreed with the relevant schemes, applied on the daily net assets managed. The investment management fees are presented net of Goods and Services Tax in the Statement of Profit & Loss Account.

The Company is engaged in the business of distribution and marketing of National Pension System as per the terms and condition of appointment as a Point of Presence (POP) as per the Certificate of Registration vide registration number POP348012023. The POP Income includes account opening fees, contribution processing fees and persistency income.

- i) Account opening fees are due and recognised on generation of Permanent retirement account number (PRAN).
- ii) Contribution Processing fees are recognised on receipt of contribution from the customer.
- iii) Persistency Income is recognised on subscriber accounts active for more than six months.

POP Income are presented net of Goods and Services Tax in the Statement of Profit & Loss Account.

Interest

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income related to the investment activities are classified as other income since these are not a part of our core operations.

2.5 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

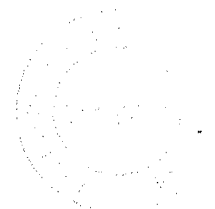
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.



Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other contractual rights to receive cash or other financial assets and financial guarantees not designated as at FVTPL.

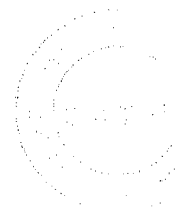
For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.



2.6 Financial liabilities and equity instruments (Including derivative contracts)

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

b) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



2.7 Segment information

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments. On the basis of this evaluation, the company has concluded that it currently operates in a single reportable segment.

2.8 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for employee share options and bonus shares, if any, as appropriate.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax (refer note 13)

The tax currently payable is based on taxable profit for the year in accordance with the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current Tax Assets and Current Tax Liabilities are offset only if the company has a legally enforceable right to set off the recognized amount, and it intends to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Credit of Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.



2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11 Goods and services tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits. The Company reviews the input tax credit at each balance sheet date to assess the recoverability of these balances.

2.12 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

I Provision

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that the outflow of resources will be required to settle the obligations, in respect of which a reliable estimate can be made. Contingent liabilities are not recognised in the financial Statement.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

II Fair value measurements and valuation processes (See note 25)

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.



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Particulars	As at 31.03.2023 (Rs. in lakhs)
3. Cash and cash equivalents	
(i) Balance with banks	
- in current accounts	7.27
Total	<u>7.27</u>
4. Bank balances other than cash and cash equivalents	
(i) Balances in earmarked accounts	
- Balances held as margin money against guarantee	20.00
Total	<u>20.00</u>
5. Receivables	
Unsecured, considered good	
- Trade receivables	0.58
Total	<u>0.58</u>

Trade Receivables - Ageing as at 31.03.2023

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	0.58	-	-	-	-	0.58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	0.58	-	-	-	-	0.58



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Particulars	As at 31.03.2023 (Rs. in lakhs)
6. Investments	
A. Investments measured at fair value through profit or loss	
(a) Mutual funds	2,045.68
Total	<u>2,045.68</u>
B. Investments measured at amortised cost	
(a) Non convertible debentures	2,620.83
(b) State development loans	1,010.09
Total	<u>3,630.92</u>
Total Investments (A+B)	<u>5,676.60</u>
Investments outside India	-
Investments in India	5,676.60
7. Other financial assets	
(i) Security deposits	1.50
(ii) Interest accrued on deposits and investments	87.26
Total	<u>88.76</u>
8. Current tax assets (net)	
Advance tax including tax deducted at source	5.16
Less: Provision for income tax	(2.20)
Advance Income tax (net of provision)	<u>2.96</u>
9. Other non financial assets	
(i) Balances with government authorities - input tax credit receivable	
- Unsecured, considered good	28.51
- Unsecured, considered doubtful	-
Total	<u>28.51</u>



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13. Deferred tax liabilities / assets (Net) *

Particulars	As at 31.03.2023
a) Deferred Tax liability being tax impact on - Fair value of financial instruments measured at FVTPL	12.42
	<u>12.42</u>
b) Deferred Tax Assets being tax impact on -	
i) Carry forward income tax losses	8.12
ii) Incorporation Expenses	0.68
iii) MAT credit entitlement	2.20
	<u>11.00</u>
c) Net Deferred Tax Liabilities / (assets) (a) - (b)	<u>1.41</u>

A Movement in deferred tax asset / (liability)

(i) Movement of deferred tax asset / (liability) for the year ended March 31, 2023

Particulars	Recognised in profit or loss	Recognised in other comprehensive income	(Rs. In lakhs) Closing balance as on March 31, 2023
<u>Tax effect of items constituting deferred tax liabilities</u>			
Fair value of Financial Instruments measured at FVTPL	12.41	-	12.41
	<u>12.41</u>		<u>12.41</u>
<u>Tax effect of items constituting deferred tax assets</u>			
Incorporation expenses	0.68		0.68
MAT credit entitlement	2.20	-	2.20
Carry forward income tax losses	8.12	-	8.12
	<u>11.00</u>	-	<u>11.00</u>
Deferred tax asset / (liability) (net)	<u>-1.41</u>	-	<u>-1.41</u>

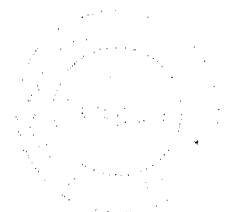
* The Company recognised deferred tax assets on carry forward losses, incorporation expenses and MAT credit entitlement. The company has concluded that deferred tax assets on MAT credit entitlement, incorporation expenses and carry forward losses will be recoverable using the estimated future taxable income based on the business plans and budgets.

B Income tax recognised in Statement of Profit and Loss

(a) Current tax	
In respect of current year	2.20
Adjustments recognised in the year for current tax of prior periods	-
	<u>2.20</u>
(b) Deferred tax charge / (credit)	
In respect of current year	1.41
	<u>1.41</u>
Total tax expense charged in Statement of Profit and Loss	<u>3.61</u>

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	14.12
Applicable tax rate	26.00%
Income tax expense calculated	3.67
Effect of expenses that are not deductible in determining taxable profit	-0.06
Total tax expense charged in Statement of Profit and Loss	<u>3.61</u>



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Particulars	As at 31.03.2023 (Rs. in lakhs)
-------------	---------------------------------------

10. Trade payables

Trade payables - Other than acceptances

- total outstanding dues of micro enterprises and small enterprises (See note 28) 4.32
- total outstanding dues of creditors other than micro enterprises and small enterprises 96.92

Total 101.24

Trade payables - Ageing as at 31.03.2023

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises (MSME)	4.32	-	-	-	-	4.32
(ii) Total outstanding dues of creditors other than MSME	96.92	-	-	-	-	96.92
(iii) Disputed dues of MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	101.24	-	-	-	-	101.24

Particulars	As at 31.03.2023 (Rs. in lakhs)
-------------	---------------------------------------

11. Other financial liabilities

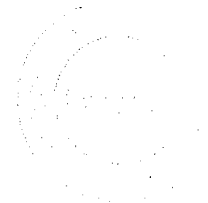
- (i) Liability for investments

Total 200.25

12. Other non-financial liabilities

- (i) Statutory remittances (TDS)

Total 11.27



Max Life Pension Fund Management Limited
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Particulars	As at 31.03.2023 (Rs. in lakhs)
14. Equity share capital	
Equity share capital	5,500.00
	<u>5,500.00</u>
Authorised share capital:	
60,000,000 equity shares of Rs. 10 each with voting rights	<u>6,000.00</u>
Issued and subscribed capital comprises:	
55,000,000 equity shares of Rs. 10 each fully paid up with voting rights	<u>5,500.00</u>

Fully paid equity shares:	Number of shares	Share capital (Rs. in lakhs)
Issue of shares during the period	5,50,00,000	5,500.00
Balance as at March 31, 2023	<u>5,50,00,000</u>	<u>5,500.00</u>

Refer notes (i) to (iv) below

(i) The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2023	
	No. of Shares	% Holding
Fully paid equity shares with voting rights:		
- Max Life Insurance Company Limited (including nominee shareholders)	5,50,00,000	100.00%

(iii) Shares held by promoters

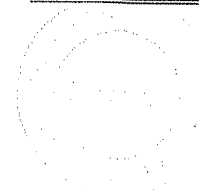
Promoter name	As at 31.03.2023	
	No. of Shares	% of total shares
- Max Life Insurance Company Limited (including nominee shareholders)	5,50,00,000	100.00%

(iv) Change in shares held by promoters during the current year

Promoter name	Increase in shareholding
- Max Life Insurance Company Limited (including nominee shareholders)	100.00%

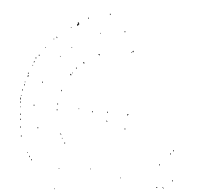
15. Other equity

Particulars	As at 31.03.2023 (Rs. in lakhs)
Profit for the year	10.51
Closing balance	<u>10.51</u>



Max Life Pension Fund Management Limited
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Particulars	Period ended 31.03.2023 (Rs. in lakhs)
16. Interest Income	
On financial assets measured at amortised cost	
(a) Interest on deposits with banks	45.43
(b) Interest on Non Convertible Debentures	9.34
(c) Interest on State Development Loans	0.95
Total	55.72
17. Net gain on fair value changes	
Net gain/(loss) on financial instruments at fair value through profit or loss	
(a) Mutual Funds	223.95
	223.95
Fair Value changes :	
(a) Realised	176.21
(b) Unrealised	47.75
18. Employee benefits expense	
(a) Salaries and wages *	163.89
Total	163.89
* All employees are deputed from Max Life Insurance Company Limited i.e. Holding Company	
19. Other expenses	
(a) IT expenses	29.01
(b) Marketing and research expenses	26.83
(c) Legal and professional expenses	13.49
(d) Director's sitting fees	12.96
(e) Membership and subscription	10.99
(f) Rent including lease rentals	8.41
(g) Auditor fees and expenses (Refer Note- 27)	1.28
(h) Rates and taxes	0.08
(i) Miscellaneous expenses	0.24
Total	103.29



Max Life Pension Fund Management Limited
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20. Commitments and contingent liabilities

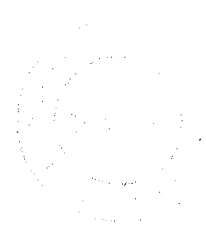
Particulars	As at
	31.03.2023 (Rs. in Lakhs)
A. Capital commitments	Nil
B. Contingent liabilities	Nil

21. Segment information

The Company is primarily engaged in the business of managing pension fund business in India. The Board of Directors of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Ind AS 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended.

22. Calculation of Earnings per share (EPS) - Basic and Diluted

Particulars	As at
	31.03.2023 (Rs. in Lakhs)
Basic EPS	
Profit attributable to shareholders (Rs. in lakhs)	10.51
Weighted average number of equity shares outstanding during the year (Nos.)	5,50,00,000
Face value per equity share (Rs.)	10
Basic Earnings Per Share (Rs.)	0.02
Diluted EPS	
Equivalent weighted average number of employee stock options outstanding (Nos)	-
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	5,50,00,000
Diluted Earnings Per Share (Rs.)	0.02



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23. Related party disclosures

A. List of related parties

Holding company	- Max Life Insurance Company Limited
Names of other related parties with whom transactions have taken place during the year	
Entity/person having significant influence/control upon the Company	- Max Financial Services Limited
Key Management Personnel (KMP)	- Mr. Prashant Tripathy (Chairman and Non-executive Director) - Mr. Sachin Arora (Chief Executive Officer) (Till 14th October, 2022) - Mr. Ranbheer Dhariwal (Chief Executive Officer) (Appointed w.e.f. 15th October, 2022) - Mr. Suresh Bhagavatula (Chief Financial Officer) - Mr. Piyush Soni (Company Secretary)
Independent directors	- Ms. Sonu Halan Bhasin - Mr. Dinesh Kumar Mittal (Till 31st March, 2023) - Mr. K Narasimha Murthy - Mr. Ashok Kacker (w.e.f. 1st April, 2023)

Note : The related parties have been identified by the management.

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	(Rs. in lakhs)
	Year ended 31.03.2023
1. Max Life Insurance Company Limited	
(a) Equity Share Capital	5,500.00
(b) Reimbursement of Expenses (Excluding Taxes)*	228.55
(c) POP Commission Received	0.18
(d) NPS Contribution	40.91

*Reimbursement of expenses also includes staff cost of Key Managerial Personnel - Suresh Bhagavatula, Piyush Soni, Sachin Arora & Ranbheer Dhariwal

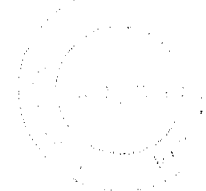
C. Transactions with the key management personnel during the year:

Name of key management personnel	Nature of transaction	(Rs. in lakhs)
		Year ended 31.03.2023
Ms. Sonu Halan Bhasin	Director sitting fees*	4.40
Mr. Dinesh Kumar Mittal		3.36
Mr. K Narasimha Murthy		5.20

*Amount includes directors' fee worth 6.16 lakhs reimbursed to Max Life Insurance Company Limited. This is included under 'Reimbursement of Expenses'.

D. The following table provides the year end balances with related parties for the relevant financial year :

Particulars	Name of related party	(Rs. in lakhs)
		As at March 31, 2023
Trade payables	Max Life Insurance Company Limited	95.90



24 Financial Instruments

(a) Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ability and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

(b) Financial risk management objective and policies

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at March 31, 2023

Financial assets	(Rs. in lakhs)			
	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	7.27	-	-	7.27
Bank balances other than cash and cash equivalents	20.00	-	-	20.00
Trade receivables	0.58	-	-	0.58
Investments	3,630.92	-	2,045.68	5,676.60
Other financial assets	88.76	-	-	88.76
	3,747.53	-	2,045.68	5,793.21

Total financial assets 5,793.21

Financial liabilities	(Rs. in lakhs)			
	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Trade payables	101.24	-	-	101.24
Other financial liabilities	200.25	-	-	200.25
	301.49	-	-	301.49

(c) Risk management framework

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Company's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Company's risk exposure
- improve financial returns

(i) Market risk

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price.

The Company's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

(ii) Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term investment needs.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company (other than derivative financial liability and lease liabilities).

	As at March 31, 2023				(Rs. in lakhs)
	<1 year	1-3 Years	3-5 Years	> 5 Years	
- Trade payables	101.24	-	-	-	101.24
- Other financial liabilities	200.25	-	-	-	200.25
Total	301.49	-	-	-	301.49

(iv) Interest rate risk

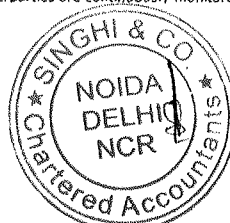
The Company is exposed to interest rate risk on fixed deposits outstanding as at the year end. The Company invests in fixed deposits to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

(v) Other price risk

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds. The investments in mutual fund are held for short term purposes.

(vi) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings. The Company's exposure and credit worthiness of its counterparties are continuously monitored.



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25. Fair value measurement

i) Financial assets and financial liabilities that are not measured at fair value are as under:

Particulars	As at 31.03.2023	
	Carrying amount	Fair value
Financial assets		
Cash and cash equivalents	7.27	7.27
Bank balances other than cash and cash equivalents	20.00	20.00
Trade receivables	0.58	0.58
Investment	3,630.92	3,630.92
Other financial assets	88.76	88.76
Financial liabilities		
Trade payables	101.24	101.24
Other financial liabilities	200.25	200.25

Note :

The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Financial assets and liabilities measured at fair value as at March 31, 2023 is as follows:

Particulars	As at 31.03.2023	(Rs. in lakhs)		
		Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets				
Investment in mutual funds*	2,045.68	2,045.68	-	-
Total	2,045.68	2,045.68	-	-

* Based on the NAV report issued by the fund manager

iii) **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are :

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: The hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in this level.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in this level.

iv) Assets and liabilities which are measured at amortised cost for which fair values are disclosed. All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

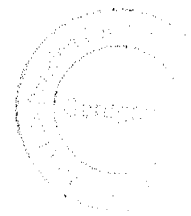


Max Life Pension Fund Management Limited
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Notes forming part of the financial statements

26. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	(Rs. in lakhs)		
	As at 31.03.2023		
	Within 12 months	After 12 months	Total
A. ASSETS			
1. Financial Assets			
(a) Cash and cash equivalents	7.27	-	7.27
(b) Bank balance other than (a) above	-	20.00	20.00
(c) Receivables - Trade receivables	0.58	-	0.58
(d) Investments	2,545.13	3,131.47	5,676.60
(e) Other financial assets	87.26	1.50	88.76
Total financial assets	2,640.24	3,152.97	5,793.21
2. Non financial Assets			
(a) Current tax assets (Net)	2.96	-	2.96
(b) Other non-financial assets	28.51	-	28.51
Total non-financial assets	31.47	-	31.47
TOTAL Assets	2,671.71	3,152.97	5,824.68
B. LIABILITIES AND EQUITY			
1. Financial liabilities			
(a) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	4.32	-	4.32
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	96.92	-	96.92
(b) Other financial liabilities	200.25	-	200.25
Total financial liabilities	301.49	-	301.49
2. Non-financial liabilities			
(a) Deferred tax liabilities (net)	1.41	-	1.41
(b) Other non-financial liabilities	11.27	-	11.27
Total non-financial liabilities	12.68	-	12.68
3. Equity			
(a) Equity share capital	-	5,500.00	5,500.00
(b) Other equity	-	10.51	10.51
Total equity	-	5,510.51	5,510.51
Total liabilities and equity	314.17	5,510.51	5,824.68



Max Life Pension Fund Management Limited
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Notes forming part of the financial statements

27. Payment to auditors (excluding Goods and Services Tax) (included in legal and professional)

Particulars	(Rs. In Lakhs) Year ended 31.03.2023
To statutory auditors:	
For audit (Including limited reviews)	1.25
For certifications	-
Reimbursement of expenses	0.03
Total	1.28

28. Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	(Rs. In Lakhs) As at 31.03.2023
(i) Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end	
- Principal	4.32
- Interest due thereon	-
(ii) Payments made to suppliers beyond the appointed day during the year	
- Principal	-
- Interest paid thereon	-
(iii) Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	-
(iv) Amount of interest accrued and remaining unpaid as on last day	-
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

29. Previous Year Figures

Being the first year of reporting, Comparative previous period figures are not applicable.

30. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



Max Life Pension Fund Management Limited
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31. Additional Regulatory Information

Ratio	Numerator	Denominator	As at 31.03.2023
Current Ratio (In times)	Current assets (Financial assets less Investment in subsidiary and investment property)	Current liabilities	8.50
Debt - Equity Ratio (In times)	Debt	Shareholder's Equity	NA
Debt Service Coverage Ratio (In times)	Earning before interest and taxes (EBITA)	Debt	NA
Return on Equity (ROE) (In %)	Net Profits after taxes	Average Shareholder's Equity	0.38%
Trade receivables turnover ratio (In times)	Revenue from Operation	Average Trade Receivable	5.62
Trade payables turnover ratio (In times)	Other expenses	Average Trade Payables	1.78
Net capital turnover ratio (In times)	Revenue	Working Capital	0.15
Net profit ratio (In %)	Net Profit for the year	Revenue	3.74%
Return on capital employed (ROCE) (In %)	Earning before interest and taxes (EBITA)	Capital employed	0.26%
Return on Investment(ROI) (In %)	Income generated from Invested funds	Share Capital	0.19%

32. Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

33. Borrowing secured against current assets

The Company has not borrowed from banks and financial institutions on the basis of security of current assets.

34. Wilful defaulter

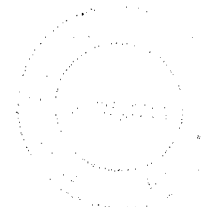
The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

35. Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

36. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.



37. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

38. Utilisation of borrowed funds and share premium

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:

- 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 to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- 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

39. Undisclosed Income

There is no Income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

40. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

41. Valuation of PP&E, intangible asset and investment property

The Company does not have PP&E, Intangible asset and investment property, hence this note is not applicable.

42. Title deeds of immovable properties

The Company does not have immovable property, hence this clause is not applicable.

43. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are to be registered with the Registrar of Companies.

44. Utilisation of borrowings availed from banks and financial institutions

The Company has not borrowed from banks and financial institutions, hence this clause is not applicable

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration No: 302049E

Chanderkant Choraria

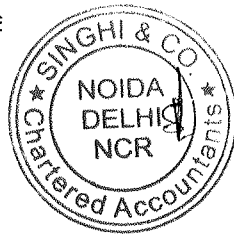
Chanderkant Choraria

Partner

Membership No: 521263

Place: Noida (Delhi - NCR)

Date: 25th April, 2023



For and on behalf of the Board of Directors

Max Life Pension Fund Management Limited

Prashant Tripathy

Prashant Tripathy

Chairman

DIN: 08260516

Suresh Bhagavatula

Suresh Bhagavatula

Chief Financial Officer

PAN: AIWPB7392Q

Place: Gurugram

Date: 25th April, 2023

Ranbheer Dhariwal

Ranbheer Dhariwal

Chief Executive Officer

PAN: AJRPD5671L

Piyush Soni

Piyush Soni

Company Secretary

M.No.- A39924