

**UTI Retirement Solutions Limited**  
**Balance Sheet as at 31 March 2012**

Particulars	Notes No.	As at 31 March 2012 Rs.	As at 31 March 2011 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	200,000,000	200,000,000
Reserves and Surplus	2	28,480,538	22,075,928
Money received against share warrants		-	-
		<b>228,480,538</b>	<b>222,075,928</b>
<b>Non-current liabilities</b>			
Long term borrowings	3	-	-
Deferred tax liabilities (Net)	4	-	-
Other long term liabilities	5	-	-
Long term provisions	6	-	-
<b>Current Liabilities</b>			
Short term borrowings	7	-	-
Trade payables	8	373,552	4,324
Other current liabilities	9	906,183	50,610
Short term provisions	10	431,750	1,476,750
		<b>1,711,485</b>	<b>1,531,684</b>
<b>TOTAL</b>		<b>230,192,023</b>	<b>223,607,612</b>
<b>II. ASSETS</b>			
<b>Non - current assets</b>			
Fixed Assets			
(i) Tangible assets	11	-	-
(ii) Intangible assets	11	54,631	-
(iii) Capital work in progress	11	-	-
(iv) Intangible assets under development	11	-	-
		<b>54,631</b>	-
Non - current investments			
Deferred tax assets (net)	12	-	-
Long term loans and advances	4	144,997	268,965
Other non current assets	13	2,140,618	2,117,099
	14	23,621,685	7,761,536
		<b>25,961,931</b>	<b>10,147,600</b>
<b>Current Assets</b>			
Current Investments	15	199,100	5,993,995
Trade receivables	16	105,668	60,913
Cash and bank balances	17	203,406,008	206,835,558
Short term loans and advances	13	95,923	51,223
Other current assets	14	423,393	518,323
		<b>204,230,092</b>	<b>213,460,012</b>
<b>TOTAL</b>		<b>230,192,023</b>	<b>223,607,612</b>
Significant Accounting Policies and Notes to Accounts	28		

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

As per our Report of even date

For : F. A. Ansari & Associates  
Chartered Accountants  
Firm registration number: 100504W

For and on behalf of the board of directors of  
UTI Retirement Solutions Limited

CA. FAHEEM AKHTER ANSARI  
Proprietor  
Membership no.: 042480

S Venkatraman  
Director

Balram P. Bhagat  
CEO & Whole Time Director

Place : Mumbai  
Date: 13.04.2012

Arvind Patkar  
Company Secretary



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**UTI Retirement Solutions Limited**  
**Statement of profit and loss for the year ended 31 March 2012**

Particulars	Note No.	For the year ended on 31 March, 2012 Rs.	For the year ended on 31 March, 2011 Rs.
<b>Income</b>			
Revenue from Operations	18	348,214	204,371
Other Income	19	18,639,785	16,316,830
<b>Total revenue (I)</b>		<b>18,987,999</b>	<b>16,521,201</b>
<b>Expenses</b>			
Employee benefits expense	20	5,177,272	4,741,973
Finance costs	21	-	-
Depreciation and amortization expense	22	27,316	451,019
Other expenses	23	4,412,306	4,784,057
<b>Total Expenses (II)</b>		<b>9,616,894</b>	<b>9,977,049</b>
<b>Profit before tax</b>		<b>9,371,105</b>	<b>6,544,152</b>
<b>Tax expenses</b>			
Current tax		2,772,636	2,008,133
Deferred tax		123,968	14,293
<b>Total tax expenses</b>		<b>2,896,604</b>	<b>2,022,426</b>
<b>Profit after tax</b>		<b>6,474,501</b>	<b>4,521,726</b>
<b>Exceptional Items</b>			
Excess Provision of Income Tax		69,891	-
<b>Prior period Items</b>			
Prior period Income		-	-
Prior Period Expenses	24	-	220,600
<b>Prior period Items (Net)</b>		<b>69,891</b>	<b>220,600</b>
<b>Profit/(Loss) for the year</b>		<b>6,404,610</b>	<b>4,301,126</b>
<b>Earning per equity share:</b>			
Basic	26	0.32	0.22
Diluted		0.32	0.22
Significant Accounting Policies and Notes to Accounts	28		

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

As per our Report of even date

For and on behalf of the board of directors of  
 UTI Retirement Solutions Limited

For : F. A. Ansari & Associates  
 Chartered Accountants  
 Firm registration number: 100504W

CA. FAHEEM AKHTER ANSARI  
 Proprietor  
 Membership no.: 042480



S. Venkatarman

S. Venkatarman  
 Director



Balrajn P. Bhagat  
 CEO & Whole Time Director

Place : Mumbai  
 Date: 13.04.2012

Arvind Patkar  
 Company Secretary

**UTI Retirement Solutions Limited**  
**Cash Flow Statement for the year ended on March 31, 2012**

Particulars	For the year ended on 31st March, 2012		For the year ended on 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
<b>Cash flows from operating activities</b>				
Profit before taxation		9,301,214		6,544,152
Adjustments for:				
Depreciation and amortization expense	27,316.00		451,019	
Prior Period Item	-		(220,600)	
Interest received	(18,374,680)		(15,084,188)	
Profit on sale of Investment	(265,105)		(1,232,642)	
Interest expenses	-		-	
		(18,612,469)		(16,086,411)
(Increase)/ decrease in trade and other receivables	(44,755)	(9,311,255)	(26,528)	(9,542,259)
(Increase) / decrease in Loans & Advances	805,053		2,818,977	
(Increase) / decrease in Other Current Assets	(15,765,219)		2,514,449	
Increase / (decrease) in Current Liabilities	1,224,801		1,071,705	
Increase/ (decrease) in Provisions	(3,817,636)		(3,911,000)	
		(17,597,756)		2,467,603
Income taxes paid		(26,909,011)		(7,074,656)
<i>Net cash from operating activities</i>		873,272		3,168,923
		(27,782,283)		(10,243,579)
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(81,947)		-	
Proceeds from sale of property, plant and equipment	-		-	
Purchase of investments	5,794,895		74,916,581	
Proceeds from sale of investments	265,105		1,232,642	
Interest received	18,374,680		15,084,188	
Dividend received	-		-	
<i>Net cash from investing activities</i>		24,352,733		91,233,411
<b>Cash flows from financing activities</b>				
Proceeds from issue of share capital	-		-	
Proceeds from long term borrowings	-		-	
Proceeds from short term borrowings	-		-	
Proceeds of finance lease obligation	-		-	
Repayment of long term borrowings	-		-	
Repayment of short term borrowings	-		(84,471)	
Repayment of finance lease obligation	-		-	
Interest paid	-		-	
Dividend paid	-		-	
<i>Net cash from financing activities</i>		-		(84,471)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(3,429,550)		80,905,361
<b>Cash and cash equivalents at beginning of reporting period</b>		206,835,558		125,930,197
<b>Cash and cash equivalents at end of reporting period</b>		203,406,008		206,835,558



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**Cash & Cash equivalents:**

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments.

Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

Cash on hand and bank balances	19,171	335,558
Short term investments	203,386,837	206,500,000
Cash and cash equivalents as reported	203,406,008	206,835,558
Effect on exchange rate changes		
<b>Cash and cash equivalents as restated</b>	<b>203,406,008</b>	<b>206,835,558</b>


In Accordance with our Report attached

For and on behalf of the board of directors of UTI Retirement Solutions Limited

For : F. A. Ansari & Associates  
Chartered Accountants  
Firm registration number: 100504W

  
CA. FAHEEM AKHTER ANSARI  
Proprietor  
Membership no.: 042480

Place : Mumbai  
Date: 13.04.2012

  
S. Venkatraman  
Director

  
Arvind Patkar  
Company Secretary

  
Balram P. Bhagat  
CEO & Whole Time Director





**1 Share Capital :**

Particulars	31 March 2012	31 March 2011
	RS	RS
<b>Authorized shares (No.)</b> 20000000 (31 March 2011: 20000000) Equity shares of Rs.10/- each	<u>200,000,000</u>	<u>200,000,000</u>
<b>Issued, subscribed and fully paid up shares (No.)</b> 20000000 (31 March 2011: 20000000) Equity shares of Rs.10/- each	<u>200,000,000</u>	<u>200,000,000</u>

**a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	31 March 2012		31 March 2011	
	No.	RS	No.	RS
At the beginning of the reporting period	20,000,000	200,000,000	20,000,000	200,000,000
Issued during the reporting period	-	-	-	-
Bought back during the reporting period	20,000,000	200,000,000	20,000,000	200,000,000
At the close of the reporting period				

**b Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Equity shares allotted as fully paid bonus shares by capitalization of Profit & Loss:  
(No.)  
Opening Balance (No. of shares)  
Add: Bonus shares (No. of shares)  
Closing Balance (No. of shares)

	31 March 2007	31 March 2008	31 March 2009	31 March 2010	31 March 2011
	-	20,000,000	20,000,000	20,000,000	20,000,000
	-	20,000,000	20,000,000	20,000,000	20,000,000

**c Details of shares held by Holding company:**

Particulars	31 March 2012		31 March 2011	
	No.	%	No.	%
Equity shares of Rs.10 each fully paid UTI Asset Management Company Limited	19,999,300	100%	19,999,300	100%

**c Details of shareholders holding more than 5% shares in the company:**

Particulars	31 March 2012		31 March 2011	
	No.	%	No.	%
Equity shares of Rs.10 each fully paid UTI Asset Management Company Limited	19,999,300	100%	19,999,300	100%



Equity

**2 Reserves and Surplus:**

Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>General Reserve</b>		
Balance as per the last financial statements	-	-
Add: amount transferred from surplus balance in the statement of profit and loss	-	-
<b>Closing Balance</b>	-	-
<b>Surplus/(deficit) in Statement of Profit &amp; Loss</b>		
Balance as per the last financial statements	22,075,928	17,774,802
Profit for the year	6,404,610	4,301,126
Less: Appropriations		
Proposed Final equity dividend	-	-
Tax on proposed Equity dividend	-	-
Transfer to General Reserve	-	-
Total appropriation	-	-
<b>Net surplus in the statement of profit and loss</b>	<b>28,480,538</b>	<b>22,075,928</b>
<b>Total Reserves and surplus</b>	<b>28,480,538</b>	<b>22,075,928</b>



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**3 Long term Borrowings**

Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>1) Secured Loans:</b>	-	-
	<hr/>	<hr/>
	-	-
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<b>2) Unsecured Loans:</b>	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<b>3) Total long term borrowings (1+2)</b>	-	-
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**4 Deferred Tax Liabilities / Deferred Tax Assets (Net)**

Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>i) Deferred tax liability:</b>		
a) On account of depreciation on fixed assets		
b) On account of timing differences in recognition of expenditure		
<b>Total</b>	<u>-</u>	<u>-</u>
<b>ii) Deferred tax asset:</b>		
a) On account of timing differences in recognition of expenditure	137,256	242,837
b) On account disallowance under section 40 (ia)	-	-
c) On account of Unabsorbed losses and depreciation under the Income Tax Act, 1961	7,741	26,128
	<u>144,997</u>	<u>268,965</u>
<b>Net Deferred tax liability/(asset)</b>	<u><b>(144,997)</b></u>	<u><b>(268,965)</b></u>

**5 Other Long term liabilities**

Particulars	31 March 2012 Rs	31 March 2011 Rs
a) Trade Payables	-	-
b) Others	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**6 Long term Provisions**

Particulars	31 March 2012 Rs	31 March 2011 Rs
a) Provisions for employee benefits	-	-
b) Others (specify nature)	-	-
	<u>-</u>	<u>-</u>



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**7 Short term Borrowings**

Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>1) Secured Loans:</b>	-	-
	<u>-</u>	<u>-</u>
<b>2) Unsecured Loans:</b>	0	0
	<u>0</u>	<u>0</u>
Total	0	0



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**8 Trade Payables**

Particulars	31 March 2012 Rs	31 March 2011 Rs
i) To Micro, Small and Medium Enterprises	-	-
ii) Others	373,552	4,324
	<u>373,552</u>	<u>4,324</u>

Trade payable do not include any amount payable to Small and Medium Enterprises as defined in Micro, Small and Medium Enterprises Development Act 2006. The balance of trade payables is subject to reconciliation and confirmation from respective parties. In the opinion of the management, the balances of trade payables are stated at book value and are payables.

**9 Other current liabilities:**

Particulars	31 March 2012 Rs	31 March 2011 Rs
a) Others		
Expenses payable to UTI AMC Limited	883,083	-
TDS payable	23,100	50,610
	<u>906,183</u>	<u>50,610</u>

**10 Short term provisions:**

Particulars	31 March 2012 Rs	31 March 2011 Rs
a) <b>Provision for employee benefits</b>		
Provision for gratuity	-	-
b) <b>Other provisions</b>		
Provision for Audit Expenses	10,000	10,000
Provision for Audit Fees	153,000	153,000
Provision for Scheme Audit Fees	225,000	225,000
Provision for Board Meeting Expenses	-	5,000
Provision for PFRDA fees	-	1,000,000
Provision for Professional Charges	33,750	33,750
Provision for ROC Matters	10,000	50,000
Provision for taxation	-	-
	<u>431,750</u>	<u>1,476,750</u>
	<u>431,750</u>	<u>1,476,750</u>



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11 Fixed Assets:

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-April-2011	Additions for the year	Deductions during the year	As at 31-March-2012	As at 1-April-2011	For the year	Deductions	As at 31-March-2012	As at 31-March-2012	As at March-2011
<b>i) Tangible Assets</b>										
Buildings	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Office equipment	-	-	-	-	-	-	-	-	-	-
<b>ii) Intangible assets</b>										
Computer Software	1,205,604	81,947	-	1,287,551	1,205,604	27,316	-	1,232,920	54,631	-
	1,205,604	81,947	-	1,287,551	1,205,604	27,316	-	1,232,920	54,631	-
<b>iii) Capital work-in-progress</b>	-	-	-	-	-	-	-	-	-	-
<b>iv) Capital work-in-progress</b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,205,604</b>	<b>81,947</b>	<b>-</b>	<b>1,287,551</b>	<b>1,205,604</b>	<b>27,316</b>	<b>-</b>	<b>1,232,920</b>	<b>54,631</b>	<b>-</b>



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**12 Non Current Investments:**

Details of Investments	31 March 2012 Rs	31 March 2011 Rs
<b>Trade investments (valued at cost unless stated otherwise)</b>		
Unquoted equity instruments	-	-
	-----	-----
	-	-
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
Unquoted equity instruments	-	-
	-----	-----
	-	-
	-----	-----
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	-	-
Aggregate provision for diminution in value of investments	-	-



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**13 Loans and advances**

Particulars	Non-Current		Current	
	31 March 2012 Rs	31 March 2011 Rs	31 March 2012 Rs	31 March 2011 Rs
<b>Capital advances</b>				
Unsecured, considered good	(A) -	-	-	-
<b>Security Deposits</b>				
Unsecured, considered good	(B) -	-	-	-
<b>Loans and advances to related parties</b>				
Unsecured, considered good	(C) -	-	-	-
<b>Advances recoverable in cash or kind</b>				
Unsecured, considered good	(D) -	-	-	-
<b>Other loans &amp; advances</b>				
<b>Unsecured, considered good</b>				
Balance with statutory/government authorities	2,140,618	2,117,099	-	-
Service tax credit receivable	-	-	95,923	-
<b>Doubtful</b>				
Provision for doubtful loan	2,140,618	2,117,099	-	-
<b>Total (A+B+C+D+E)</b>	<b>(E)</b> 2,140,618	2,117,099	95,923	51,223
	2,140,618	2,117,099	95,923	51,223
<b>14 Other assets</b>				
<b>Particulars</b>	Non-Current		Current	
	31 March 2012 Rs	31 March 2011 Rs	31 March 2012 Rs	31 March 2011 Rs
<b>Non-current bank balances (note 20)</b>	(A) -	-	-	-
<b>Others</b>				
Interest accrued on fixed deposits	23,621,685	7,761,536	423,393	518,323
<b>Total (A+B)</b>	<b>(A)</b> 23,621,685	7,761,536	423,393	518,323
	23,621,685	7,761,536	423,393	518,323



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**16 Trade receivables:**

Particulars	Current		Non-Current	
	31 March 2012 Rs	31 March 2011 Rs	31 March 2012 Rs	31 March 2011 Rs
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>	-	-	-	-
Unsecured, considered good	-	-	-	-
(A)	-	-	-	-
<b>Other receivables</b>				
Unsecured, considered good	105,668	60,913	-	-
(B)	<b>105,668</b>	<b>60,913</b>	-	-
<b>Total(A+B)</b>	<b>105,668</b>	<b>60,913</b>	-	-

**17 Cash and bank balances**

Particulars	Current		Non-Current	
	31 March 2012 Rs	31 March 2011 Rs	31 March 2012 Rs	31 March 2011 Rs
<b>Cash and cash equivalents</b>				
Balances with banks:				
In current accounts	19,171	335,558	-	-
Cheques/ drafts on hand	-	-	-	-
Cash on hand	<b>19,171</b>	<b>335,558</b>	-	-
<b>Other bank balances</b>				
Deposits with original maturity for more than 12 months	186,500,000	186,500,000	-	-
Deposits with original maturity for less than 12 months	16,886,837	20,000,000	-	-
	<b>203,386,837</b>	<b>206,500,000</b>	-	-
	<b>203,406,008</b>	<b>206,835,558</b>	-	-



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<b>18 Revenue from operations:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>Revenue from operations:</b>		
Sale of products	-	-
Sale of services	348,214	204,371
Other operating revenues	-	-
Revenue from operations	<b>348,214</b>	<b>204,371</b>
<b>Details of services rendered</b>		
Management Fees	348,214	204,371
Advisory Fees	-	-
	<b>348,214</b>	<b>204,371</b>

<b>19 Other Income:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
Interest income on Bank deposits	18,374,680	15,084,188
Net gain/loss on sale of current investments	265,105	1,232,642
	<b>18,639,785</b>	<b>16,316,830</b>

<b>20 Employee Benefit Expenses:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
Salaries and wages	4,978,065	4,620,685
Contribution to provident and other funds	199,207	121,288
	<b>5,177,272</b>	<b>4,741,973</b>

<b>21 Finance Costs:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
Interest expense	-	-
Other borrowing costs	-	-
Net (gain)/loss on foreign currency transaction and translation	-	-
	-	-

<b>22 Depreciation and amortization:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
Depreciation of tangible assets	-	-
Amortization of intangible assets	27,316	451,019
	<b>27,316</b>	<b>451,019</b>

<b>23 Other expenses:</b>		
Particulars	31 March 2012 Rs	31 March 2011 Rs
Rent	6,000	6,000
Advertising and business promotion	8,750	4,370
Board Meeting Expense - Traveling	241,958	230,305
Board Meeting Expense - Others	51,589	26,189
Legal and professional fees	166,785	26,093
Directors sitting fees	190,000	240,000
Payment to auditor (Refer details below)	200,000	200,000
Scheme Expenses (Refer Note No. 6)	3,502,229	3,992,212
Miscellaneous expenses	44,995	58,888
	<b>4,412,306</b>	<b>4,784,057</b>



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**Payment to auditor**

Particulars	31 March 2012 Rs	31 March 2011 Rs
<b>As auditor:</b>		
Audit fee	125,000	125,000
Tax audit fee	45,000	45,000
Limited review	-	-
<b>In other capacity:</b>		
Taxation matters	15,000	15,000
<b>Other services:</b>		
Service Tax	15,000	15,000
Reimbursement of expenses	-	-
	<b>200,000</b>	<b>200,000</b>

**24 Prior period items:**

i) Income	-	-
ii) Expenses		
Last 2 years amount of Crisil Bond Valuer	-	220,600

**25 Additional Information:**

Information with regard to additional information as required under clause 5(viii) of Part II of Schedule VI of the Companies Act, 1956 are either NIL or not applicable to the Company for the year ended on 31st March, 2012.



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Particulars	For the current reporting period	For the previous reporting period
<b>26 Earnings per share:</b>		
After extraordinary item:		
Profit for the year after tax expense	6,404,610	4,301,126
Less:		
Preference dividend payable including dividend tax	-	-
	<u>6,404,610</u>	<u>4,301,126</u>
Weighted average number of equity shares	-	-
Earning per share		
Before extraordinary item:		
Profit for the year after tax expense	6,404,610	4,301,126
Adjustment for Extraordinary item (net of tax)	-	-
	<u>6,404,610</u>	<u>4,301,126</u>
Less:		
Preference dividend payable including dividend tax	-	-
	<u>6,404,610</u>	<u>4,301,126</u>
Weighted average number of equity shares	20,000,000	20,000,000
Earning per share	0.32	0.22



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**27. Disclosures for Related Parties**

**a) Name of Related Parties**

<b>Holding Company</b>	UTI Asset Management Company Limited
<b>Key Management Personnel and their Relatives</b>	Mr. Balram Bhagat (CEO and Whole Time Director)
<b>Name of other related parties with whom transactions have taken place during the year</b>	
<b>UTI Mutual Fund</b>	Schemes Of UTI Mutual fund

**b) (i) The disclose in respect of Related Party Transactions**

Nature of Transactions	Key Management Personnel		Holding Company	
	For the period ended on 31/03/2012	For the period ended on 31/03/2011	For the period ended on 31/03/2012	For the period ended on 31/03/2011
<b>i) Transactions during the period</b>				
Reimbursement of expenses - Paid	0.00	0.00	4,633,947.00	5,050,338.00
Reimbursement of expenses - Received	600,000.00	600,000.00	0.00	0.00
Remuneration Paid	0.00	0.00	0.00	0.00
Investment Management & Advisory Fees Paid	0.00	0.00	0.00	0.00
Dividend Received	0.00	0.00	0.00	0.00
Dividend Paid	0.00	0.00	0.00	0.00
<b>ii) Outstanding Balances on the period/year end</b>				
Advance Payable / (Receivable)	0.00	0.00	883,083.00	0.00

**b) (ii) UTI Mutual Fund**

Nature of Transaction	Schemes of UTI Mutual Fund	
	For the period ended on 31/03/2012	For the period ended on 31/03/2011
<b>Investment in :</b>		
<b>UTI Money Market Fund - Growth</b>		
Purchases	2,400,000	143,853,000
Sales	8,194,895	218,769,581



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## Schedule 28

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON MARCH 31, 2012

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Accounting Convention

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting. The financial statements have been prepared to comply in all material respects with notified accounting standards by Companies Accounting Standards Rules 2006 and the relevant provisions of the Companies Act 1956.

##### 1.2 Use of estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for doubtful debts, provision for income tax, provision written back for diminution in the value of investment and the useful life of fixed assets. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in the current and future periods.

##### 1.3 Revenue Recognition

a) Management fees are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS (New Pension System) Trust.

b) Dividend & Interest income is accounted on accrual basis.



c) Profit/Loss on sale of investments is accounted on trade date basis. The profit/loss on sale of investments is calculated on weighted average basis.

#### 1.4 Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

#### 1.5 Depreciation

##### (a) Tangible Assets

The Company has decided to provide Depreciation on Fixed Assets in the manner prescribed in Schedule XIV of the Companies Act, 1956. Depreciation has been provided at the following rates-:

CLASS OF FIXED ASSET	METHOD OF DEPRECIATION	RATE OF DEPRECIATION (%)
Computer Hardware	Written Down Value	40.00%
Office Equipment & Machines	Written Down Value	13.91%
Furniture's & Fixtures	Written Down Value	18.10%
Motor Cars	Written Down Value	25.89%
Buildings	Straight Line	1.63%

Assets costing individually Rs.0.005 million or less are depreciated at the rate of 100% on pro-rata basis.

##### (b) Intangible Assets

Intangible Assets - Software are amortised over a period of three years on straight line method on pro rata basis.

#### 1.6 Investments

Investments are classified into current investments and long-term investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other



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investments are classified as long term investments. Current investments are carried at lower of cost and market/ fair value.

Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than of temporary nature, in the value of such investments.

### **1.7 Earning per Share**

Basic and Diluted Earnings per share are calculated and reported in accordance with AS 20 'Earnings Per Share' issued by the ICAI. Basic and Diluted Earnings per equity share has been computed by dividing net profit after tax by weighted average number of equity shares outstanding for the period.

### **1.8 Taxes on Income**

Income tax is accrued in accordance with Accounting Standard 22 'Accounting for Taxes on Income' issued by ICAI, which includes current and deferred taxes.

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

Deferred Income Taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized for all deductible timing differences; carry forward of unused tax assets and unused tax losses only if there is reasonable virtual certainty that such deferred tax assets can be realized against future liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is ~~no longer~~ probable that sufficient



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taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

### **1.9 Lease**

Leases if any, are recognized as per Accounting Standard 19 "Leases" issued by ICAI.

### **1.10 Treatment of Contingent Liability**

Contingent Liabilities where an estimate of its financial effect is measurable and indication of the uncertainties relating to any outflow and the possibility of any reimbursement are disclosed by way of Notes in the Balance Sheet as per Accounting Standard 29,"Provisions, Contingent liabilities and Contingent Assets" issued by ICAI. Provision is made in accounts for those liabilities, which are likely to materialize after the period end and having effect on the position stated in Balance Sheet as at the period ended.

### **1.11 Impairment of assets**

At each balance sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and the value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the profit and loss account.



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**B. NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012**

**1. Deferred Tax**

In compliance with the Accounting Standard on "Accounting for Taxes on Income" (AS-22) issued by ICAI, the company has recognized a deferred tax assets, as per Note No. 4.

**2. Managerial Remuneration**

**a)** The remuneration to CEO & Whole Time Director during the current period is Rs. 6,00,000/-

**b)** The Computation of profits under Section 349 of the Companies Act, 1956 has not been given as no commission is payable to the Managing Director.

**3. Segmental Reporting**

The Company is primarily engaged in the wholesale investment management of Pension funds under new pension system. Hence there are no other "reportable segments" as per the definition contained in Accounting Standard on "Segment Reporting" (AS-17) issued by ICAI.

**4. Related Party Transactions**

As per the Accounting Standard on "Related Party Transactions" (AS-18) issued by ICAI, the names of related parties and the transactions are given under Note 27.

**5. Earnings per Share**

Earnings per share are computed in accordance with Accounting Standard-20 issued by the Institute of Chartered Accountants of India and is given under Note 26.

**6. Scheme Expenses**

The details of Expenses related to NPS Schemes managed by the Company are as follows:



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Particulars	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
PFRDA Fees	10,00,000.00	10,00,000.00
Brokerage	15,67,221.00	20,28,565.00
Audit Fees	2,50,000.00	3,50,000.00
Valuation Fees – NAV	1,96,964.00	0.00
Professional Fees	2,75,750.00	0.00
AMC	1,65,000.00	41,250.00
Other Expense	47,294.00	76,047.00
Crisil Bond Valuer	0.00	496,350.00
<b>TOTAL</b>	<b>35,02,229.00</b>	<b>39,92,212.00</b>

7. The accounts are prepared for the period from 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March 2012.
8. Information with regard to other standard specific as per Rule 4(1) of the Companies (accounting Standard) Rules, 2006 are either NIL or not applicable to the Company for the Company for the year ended on 31<sup>st</sup> March 2012.
9. Previous years figures are regrouped wherever necessary.

**For F. A. Ansari & Associates**  
**Chartered Accountants**

Firm Registration No. 100504



CA. F. A. Ansari

Proprietor

Membership No. 042480

Mumbai

Date: 13.04.2012



**For and on behalf of the Board of Directors**  
**UTI Retirement Solutions Limited**



S. Venkatraman

Director



Balram P. Bhagat

CEO & Whole Time Director



Arvind Patkar

Company Secretary






Ref. No \_\_\_\_\_

Date: 13.04.2012

## AUDITOR'S REPORT

### Report of the Auditor to the Members of UTI RETIREMENT SOLUTIONS LIMITED

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We have audited the attached Balance Sheet of the **UTI RETIREMENT SOLUTIONS LIMITED** as at **31st March 2012** and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and the Cash Flow Statement for the period ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. We believe that our audit provides a reasonable basis for our opinion. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error. Our responsibility is to express an opinion on these financial statements based on our audit.

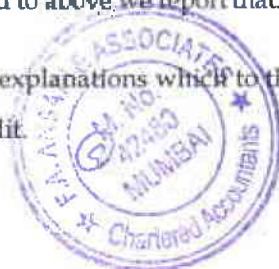
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

As required by the Companies (Auditor's Report) Order 2003, issued by the Central government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable to the Company.

Further to our comments in the Annexure referred to above we report that

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books,
- c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub- section (3C) of Section 211 of the Companies Act;
- e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2012 and taken on Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in terms of clause (g) of sub- section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes therein give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
- ◆ In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012,
  - ◆ In the case of Profit & Loss Account, of the company of the profit for the year ended on that date.



for F.A.ANSARI & ASSOCIATES  
CHARTERED ACCOUNTANTS

CA. FAHEEM A.ANSARI

Proprietor

Membership No. : 042480

FR No. : 100504W

Place : Mumbai

Date : 13.04.2012

## ANNEXURE TO THE AUDITORS REPORT

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Referred to in the paragraph 1 of the even dated Auditor's Report to the members of **UTI RETIREMENT SOLUTIONS LIMITED** on the Accounts for the year ended on **31<sup>st</sup> March, 2012**. On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:-

1. In respect of its Fixed Assets :-
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. All the assets have been physically verified by the management during the year and such verification, in our opinion is reasonable having regard of the size of the company and the nature of its assets. No material discrepancies were found in verification.
  - c. In our opinion, and according to the information and explanations given to us, no part of fixed assets has been disposed off by the Company during the year, hence no impact on the operation of the company.
  
2. As informed to us, the Company has neither taken nor any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956. Since the Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956, clause 4(iii)(a) to (g) are not applicable to the Company.
  
3. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business with regard to the fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
  
4. (a) According to the information and explanations given to us, Company has not entered into any contract or arrangement referred to in section 301 of the Act;  
(b) As the company has not entered into any transaction, no comments have been given in respect of Clause 4(v) of the Companies (Auditor's Report) Order, 2003.
  
5. In our opinion and according to the information given to us, the Company has not accepted deposit from the public and hence the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder are not applicable.



6. In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountant appointed by the Management have been commensurate with the size of the Company and the nature of its business.
7. The maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 is not applicable to the Company.
8. The Company is regular in depositing with appropriate authority undisputed statutory dues such as Service Tax, Income Tax, etc.

According to the information and explanation given to us, no disputed amounts payable in respect of Income Tax and Service Tax, as at 31<sup>st</sup> March, 2012, for a period more than six months from the date they became payable.

9. The company has no accumulated losses at the end of the period and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
10. According to the information and explanations given to us and on the basis of our examination of the books of accounts, proper records have been maintained in respect of the transactions and contracts and timely entries have been made therein in respect of shares, securities, debentures and other investments dealt with or traded by the Company.
11. According to the records of the company and the information and explanation provided by the company, that the company has not given guarantees for loans taken by others from banks or financial institutions.
12. The Company has neither raised any term loans during the year nor was any utilized amount left on this account, as at the beginning of the year. Therefore, the provisions of Clause 4(xvi) of the Companies (Auditors' Report) Order, 2003, are not applicable to the Company.
13. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has not raised on any fund on short-term basis for long-term investment.

14. According to the records of the company and the information and explanations provided by the management, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the period under Audit.
15. Neither any debentures were issued during the year, nor any creation of security is pending in respect of debentures raised in the earlier years.
16. The company has not raised any public issues during the period covered by our audit report.
17. The clause (ii), (xi), (xii) and (xiii) of Para 4 are not reported upon as these are not applicable to the Company.
18. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statement to be materially misstated.



for **F. A. ANSARI & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**CA. FAHEEM A. ANSARI**  
PROPRIETOR  
Membership No. : 042480  
FR No. : 100504W

Place : Mumbai

Date :