FIRST ANNUAL REPORT-NATIONAL PENSION SYSTEM TRUST

2017-2018

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LTD

1361/DAK/0085T

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BASIS AND POLICY OF INVESTMENTS

The subscriptions are invested as per the investment guidelines and restrictions laid down in Schedule II of the Investment Management Agreement (IMA) and as per guidelines prescribed by the Authority from time to time. Further, investments are also governed by internal norms laid down in the investment policy, subject to the above guidelines.

ECONOMIC SCENARIO

Domestic Economic Environment

The beginning of the year saw a slow-down, with GDP growth dropping to a multi-year low of 5.7% in the first quarter, mainly on account of issues relating to demonetization and the implementation of GST. However, with GST implementation stabilizing and the demonetization effect fading, economic activity picked up in the third quarter and GDP growth rebounded to 7.2%. Most of the high frequency data, such as commercial vehicle growth, air cargo growth, domestic two wheeler sales, cement production etc. indicated a strong pick-up in economic activity.

Some concerns on the macro front remain, especially with the trade deficit deteriorating to \$13.7bln in March'18 and the cumulative trade deficit for FY17-18 almost doubling to \$87.2bln as against \$47.7bln in FY16-17. This could put pressure on fiscal consolidation, where the 3% target set for 2019 has been pushed ahead to 2021. The fiscal deficit target for FY17-18 itself has been set at 3.5% from 3.2% earlier. There are also mixed signals on the inflation front. Though CPI inflation for March'18 came at 4.28%, the fourth consecutive month of decline, core inflation increased to 5.30%. The risks to inflation are (i) higher oil prices, with oil currently at over \$70 a barrel and (ii) an increase in the MSP for agricultural commodities, ahead of the elections.

Global Economic Environment

Global growth has shown a healthy trend in FY17-18. The US economy continued to exhibit strength, with upbeat growth at 2.9% in Q4FY17 and unemployment falling to a multi-year low of 4.1%. In the Euro area, economic activity remained buoyant on account of consistently falling unemployment rates and elevated consumer confidence. The Japanese economy registered eight straight quarters of growth till Q42017. Emerging economies such as China and Russia showed a healthy growth in industrial production and high commodity prices boosted the growth in countries like Brazil and South Africa.

However financial markets turned volatile in February-March, 2018, triggered by uncertainty regarding the pace of normalization of US monetary policy and fears of a trade war intensifying after US imposed tariffs on imports from China and China retaliating with similar tariffs on US exports. Though the global growth momentum is expected to sustain, there may be uncertainty in financial markets due to high valuation, normalization of US monetary policy and increased protectionism.

Market Outlook

Equity

The NSE NIFTY gave a return of 10.25% in FY17-18, ending the year at a level of 10,114 after touching a peak of 11,130 on 29th January 2018. Equity markets rallied in the first three quarters, as economic activity picked up and corporate earnings showed a healthy double digit growth. Markets corrected in the last quarter Q4FY18, on account of global trade tensions and rising oil prices. We expect markets to be range bound for a large part of 2018-19 as the contraction of the price earning multiple will continue. A normal monsoon, resolution of the NPA problems plaguing banks and improving macros will be positives for the market. Uncertainty on account global trade tensions, rising oil prices and political rhetoric in the run up to the 2019 general elections will be negatives.

Fixed Income

The 10-year Indian Government Bond yield moved up 72 bps in the year, from 6.68% to 7.40% as on 31st March 2018. Interest rates hardened due to a number of factors including (i) the continuing stress in the banking sector (ii) fiscal slippage and (iii) hardening global interest rates. Interest rates across the world moved up in FY17-18, with the US Fed raising policy rates by 75bps in 2017 and 25bps in 2018 and a further rise of another 50 bps point more expected in 2018.

CPI inflation in India has come at 4.28% in March 2018, after touching a high of 5.21% in December 2017. Brent crude oil has hardened substantial to over \$70 while 10yr US treasury has hardened to 3%. We expect the 10-year G-sec rate to remain in the 7.75%-8.25% range in 2018-19, given the inflationary pressure due to high oil prices, fiscal concerns, a weak currency, tightening global rates and an expected hike in policy rates by 25-50 bps in 2018.

INVESTMENT OBJECTIVE OF THE SCHEME

The investment objectives of NPS Scheme(s) managed by Aditya Birla Sun Life Pension Management Limited (Formerly Birla Sun Life Pension Management Limited) are as under:

Sr no.	Name of Scheme	Investment Objective
	Scheme E – Tier I	To optimize returns through investments in equity shares within
	Scheme E – Tier II	the prescribed universe of stocks and money market instruments.
	Scheme C – Tier I	To optimize returns through investments in eligible fixed
	Scheme C – Tier II	income instruments within the prescribed universe and money market instruments.
	Scheme G – Tier I	To optimize returns through investments in Government and
	Scheme G – Tier II	government guaranteed securities and money market instruments.
	Scheme A – Tier I	To optimize returns through investments in: -
11		a. Commercial mortgage based securities or

Residential mortgaged based securities
b. Units issued by Real Estate Investment Trusts regulated by
the Securities and Exchange Board of India
c. Asset backed securities regulated by the Securities and
Exchange Board of India
d. Units of Infrastructure Investment Trusts regulated by the
Securities and Exchange Board of India
e. Alternative Investment Funds (AIF Category I & II)
registered with Securities and Exchange Board of
India.

SCHEME PERFORMANCE AND OPERATIONS

Scheme E Tier I – Equity market instruments

Since Inception	9.22%	9.72%
	Scheme	Benchmark [#]
Period	Simple	Return%*
Performance as on 31/03/2018: -		
NAV as on 31/03/2018		10.9217
Fund size as on 31/03/2018		Rs.11.64 crores
Date of Inception		May 9 th , 2017

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

Scheme C Tier I - Credit risk bearing fixed income instruments

Date of Inception		May 9 th , 2017
Fund size as on 31/03/2018	Rs.6.76 crores	
NAV as on 31/03/2018		10.9175
Performance as on 31/03/2018: -		
Period	Simple	Return%*
	Scheme	Benchmark [#]
Since Inception	9.18%	5.31%

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

[#] NIFTY 100 Total Return Index (TRI)

[#] NPS - Corporate Bond Index

Scheme G Tier I -Government Securities

Date of Inception		May 9 th , 2017
Fund size as on 31/03/2018		Rs.7.49 crores
NAV as on 31/03/2018		10.4232
Performance as on 31/03/2018: -		
Period	Simple	Return%*
	Scheme	Benchmark [#]
Since Inception	4.23%	3.40%

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

Scheme A Tier I -Alternative Investment Funds (AIF)

Since Inception	5.86%	NA
	Scheme	Benchmark [#]
Period	Simple Return%*	
Performance as on 31/03/2018: -		
NAV as on 31/03/2018		10.5862
Fund size as on 31/03/2018		Rs.0.11 crores
Date of Inception		May 15 th , 2017

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

Scheme E Tier II – Equity market instruments

Date of Inception		May 9 th , 2017
Fund size as on 31/03/2018		Rs.1.58 crores
NAV as on 31/03/2018		10.9015
Performance as on 31/03/2018: -		
Period	Simple	Return%*
	Scheme	Benchmark [#]
Since Inception	9.02%	9.72%

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

[#] NPS - Government Securities Index

[#] No comparable indices replicating the mandate of the scheme is available due to the nascent stage of the product.

[#] NIFTY 100 Total Return Index (TRI)

Scheme C Tier II - Credit risk bearing fixed income instruments

Date of Inception		May 9 th , 2017
Fund size as on 31/03/2018		Rs.0.92 crores
NAV as on 31/03/2018		10.6474
Performance as on 31/03/2018: -		
Period	Simple	Return%*
	Scheme	Benchmark [#]
Since Inception	6.47%	5.31%

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

Scheme G Tier II -Government Securities

Performance as on 31/03/2018: -		
Period	Simple	Return%*
	Scheme	Benchmark [#]

^{*} Since the scheme has not completed one year of its operation, the return shown is absolute return and not annualized.

LIABILITIES AND RESPONSIBILITIES OF THE PF

The Company has been appointed by PFRDA as a pension fund manager for the management of investment of the Schemes referred above and, in that capacity, makes investment decisions and manage the Scheme in accordance with the Investment Guidelines, Scheme Objectives, Investment Management Agreement (IMA) and provisions given under the PFRDA Guidelines / regulations / rules. The transactions entered into by the Company are in accordance with the PFRDA Guidelines, IMA and code of ethics prescribed by the Trustees.

The Company has exercised necessary due diligence and vigilance in carrying out its duties under IMA and in protecting the rights and interest of the subscribers. Investment decisions have been taken with emphasis on safety and optimum returns. The Company has not dealt in any speculative transactions in dealing for investments. The Company will be responsible for the acts of omission or commissions of its employees or the persons whose services have been procured by the Company.

[#] NPS - Corporate Bond Index

[#] NPS - Government Securities Index

DECLARATION

Schemes permit investments partly or wholly in shares, bonds, debentures and other scripts or securities whose value can fluctuate. The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments.

All investments in Pension Funds and securities are subject to market risks and the NAV of the Funds may go up or down depending on the factors and forces affecting the securities markets. There can be no assurance that the funds objectives will be achieved. Past performance of the sponsor / Pension Fund Schemes / Pension Fund Manager is not necessarily indicative of future results.

The Pension Fund schemes are subject to risk relating to credit, interest rates, liquidity, trading in Equity and Debt Derivatives (the specific risk could be credit, market illiquidity, judgmental error and interest rates).



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INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme E Tier I under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant

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to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the deficit of the Scheme for the period ended on that date:

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



C H A R T E R E D A C C O U N T A N T S

- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- e) In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:
- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

(S. M. Chitale)
Partner

M No.: 111383

Place: Mumbai

Date: 2 8 JUN 2018

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier I BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		
Unit Capital	1	106,619,114
Reserve & Surplus	2	9,826,644
Current Liabilities	3	3,901,256
Total		120,347,014
Assets		
nvestment	4	120,191,239
Other Current Assets	5	155,775
Total		120,347,014
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		116,445,758
(b) number of units outstanding		10,661,911

Significant accounting policies and notes to accounts

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

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S. M. Chitale Partner

Membership No. 111383

Place : Mumbai

Date: 2 8 JUN 2018

For and on behalf od NPS Trust

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(Chairman , NPS Board)

Place: Mumbai

Date:

2 8 JUN 2018

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For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan (CEO) S.C.Bhargava (Director) Sun

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Munish Malik

(Chief Executive officer)

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NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E- Tier I REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	Period ended March 31,2018
		₹
Income		4.75.544
Dividend	1	1,75,514
Profit on sale/redemption of investments	6	1,27,896
Unrealised gain on appreciation in investments		5,229
Other income	_	
Total Income (A)	-	3,08,639
Expenses & Losses		
Unrealised losses in value of investments		32,84,807
Loss on sale/redemption of investments		611
Management fees (including service tax)		3,190
NPS Trust fees		2,710
Custodian fees		1,017
NSDL charges		5
CRA fees		67,859
Less: Amount recoverable by sale of units on account of CRA Charges		-67,859
Total Expenditure (B)		32,92,340
Surplus/(Deficit) for the year (A-B = C)		(29,83,701)
Less: Amount transferred to Unrealised appreciation account		-32,79,578
Less: Amount transferred to General Reserve		2,95,877
Amount carried forward to Balance Sheet		-
Significant accounting policies and notes to accounts	7 & 8	

As per our report of even date For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Partner

Membership No. 111

(Chairman, NPS Board)

Place : Mumbai

Date: 2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan (CEO)

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नई विल्ली New Delhi S.C.Bhargava (Director)

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Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C-ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E TIEF | NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31 2018

Note 1: Unit capital	As at March 31,2018
Unit Capital	•
Outstanding at the beginning of the period	
Add :Units issued during the period	102 704 0
Less: Units redeemed during the period	162,794,84
Outstanding at the end of the period	(56,175,73 106,619,11
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the period	
Add :Units issued during the period	16,279,48
Less: Units redeemed during the period	(5,617,57
Outstanding Units at the end of the period	10,661,91
Note 2: Reserves and surplus	As at March 31,2018
Unit premium reserve	
Opening balance	
Add: Premium on Units issued	19,087,14
Less: Premium on Units redeemed	(6,276,80
Closing balance	12,810,34
General Reserve	22,010,34
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	
Closing balance	295,87
Unrealised Appreciation Reserve	295,877
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	
Closing balance	(3,279,578
Total	(3,279,578
Total	9,826,644
Note 3: Current liabilities and provisions	As at March 31,2018
•	AS at March 31,2018
Redemption Payable	
Contracts for purchase of investments	134,376
Sundry creditors for expenses	3,760,007
NPS charges payable	
NSDL Fees Payable	1,926
Management fees payable	
Custody charges payable	2,273
Other payable	1,017
Total	1,650
	3,901,256
Note 4: Investments	As at March 31,2018
	*
nvestment Central Government Securities Equity shares	
Debentures and Bonds Listes/Awaited Listed"	116,400,036
nvestment SDLC	
Mutual Fund Units	
William Chita	3,791,203
Total	120,191,239
Note 5: Other current assets	As at March 31,2018
Balances with banks in current account	•
otal	155,775
OLER	155,775
lote 6: Realised Gain on Sale/redemption of investment	For the period ended
	March 31,2018
	-
trofit on Cale of Courts at the Cale of Cour	
Profit on Sale of Equity shares	83,598
Profit on Sale of Equity shares Profit on Sale of Mutual fund scheme Units Total	83,598 44,298 127,896

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale Partner Membership

For and an behalf od NPS Trust (Chairman, NPS Board) Place: Mumbai Date:

Munish Malik नई दिल्ली New Delhi

Sashi Krishnam

(CEO)

2 8 JUN 2018

S.C.Bhargava (Director)

Birla Sun

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NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME E TIER I

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- Record keeping, Administration and Customer service function for NPS subscriber,
- · Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN,
- PRAN Transaction Statement,
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017. NPS trust has designated



Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

The financials have been prepared for SCHEME E TIER I being managed by the Company.

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the



Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.

As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis

(vi) Securities traded at a stock exchange:

- Equity traded on valuation day (Actively Traded equity): Where a security is traded on any stock exchange on a particular valuation day, the last quoted closing price at which it was traded on the selected stock exchange, as the case may be, may be used (Closing prices from BSE/NSE for the day).
- Equity not traded on valuation day (Thinly traded equity): When a security is not traded
 on any stock exchange on a particular valuation day, the last quoted closing price at
 which it was traded on the selected stock exchange, as the case may be, on the earliest
 previous day may be used provided such date is not more than thirty days prior to
 valuation date.
- Non traded rights are valued at the difference of closing market price of the original
 equity share for the day and the offer price. Traded rights are valued at the closing
 market price of the rights renunciation till the time of application. In the event of
 application of rights, the rights entitlement would be valued at the closing market price of
 the original equity share till the date of allotment/listing.
- Mutual fund units are valued based on the net asset values of the preceding day of the valuation date.

(vii) Securities not traded at a stock exchange:

Non-traded / thinly traded / privately placed equity securities including those not traded within thirty days are valued "in-good faith" on the basis of following valuation methods approved by the Authority/Trust:

Equity instruments are generally valued on the basis of capitalization of earnings solely or in combination with the net asset value, using for the purposes of capitalization, the price or earning ratios of comparable traded securities and with an appropriate discount for lower liquidity.

7.4 Income Recognition

- Dividend is accounted on accrual basis and recognised on the date the share is quoted on ex-dividend basis
- Bonus entitled shares is recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
- Rights entitlements are recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.



- Profit or loss on sale of equity is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book coston the date of sale.
- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.
- Other income of a miscellaneous nature is accounted for as and when realised

7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.9 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due. Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED - SCHEME E TIER I NOTE 8 Notes to Accounts

- All investments of the scheme are in the name of the NPS trust.
- 8.2 At the end of the financial year, there are no open positions of derivatives in the scheme

8.3 The Schemes investments made in associates and Group companies as on Mar 31, 2018

Security particulars		As on 3	1.03.2018
occurry particulars	no of shares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA

Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

Particular	As on 31.03	.2018
raiticulai	Amount (in Rs.)	% to AAUM
Unrealised Gain	5,229	0.02%
Unrealised Loss	3,284,807	10.87%
Net Unrealised Loss	3,279,578	10.85%

Aggregate value of purchase and sale with percentage to average asse

Particular	As on 31.03.2018
Average Net Asset Value	30,218,822
Purchase of Investment	249,063,774
% to average Net Asset Value	824%
Sale of Investment	126,180,467
% to average Net Asset Value	418%

- Following are the transaction with Associates & Group companies under the scheme
- The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

Particular	E-TIER I
raiticulai	Amount (in Rs.)
Investment management fees	3,190

Balance with Aditya Birla Sun life Pension management Ltd

Particular	E-TIER I
raiticulai	Amount (in Rs.)
Investment Management Fees payable	2,273

Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve Based on confirmation from CRA the number of units as at the year end are 106,61,911

Linit NAV

OTHE WAY	
Particular	As on 31.03.2018
NAV per unit (Rs)	10.9217

- The scheme has no contingent liability as at the end financial year. 8.10
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Reg. No. 106655W

S. M. Chitale

Partner

Place : Mun

Membership No. 11

Sashi Krishnar (CEO)

For Aditya Birla Sun Life Pension Management Limited

S.C.Bhargava

Birla Sun

13 gemen

(Director)

Date For and on behal

Yarein

(Chairman, NPS Board) Place: Mumbai

Date:

ਜੁਵ ਫਿਲ੍ਹੀ New Delhi Munish Malik

(Chief Executive officer)

2 8 JUN 2018

Portfolio Statement for the year ended March 31, 2018

NAME OF PENSION FUND SCHEME NAME MONTH

NPS TRUST A/C-ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier i E-TIER i March'18

Name of the Instrument	ISIN No.	Industry	Quantity	Market Value	% of Portfolio Ratings	185
MARUTI SUZUKI INDIA LTD.	INE585B01010	Manufacture of passenger cars	910.00	8,063,601.00	6.92%	
MAHINDRA AND MAHINDRA LTD	INE101A01026	Manufacture of motor vehicles n.e.c.	4,573.00	3,378,989.70	2.90%	
KOTAK MAHINDRA BANK LIMITED	INE237A01028	Monetary intermediation of commercial banks, saving banks. postal savings	4,457.00	4,670,044.60	4.01%	
PETRONET LNG LTD	INE347G01014	Disrtibution and sale of gaseous fuels through mains	20,277.00	4,682,973.15	4.02%	
HINDUSTAN UNILEVER LIMITED	INE030A01027	Manufacture of soap all forms	5,982.00	07.976,099.70	6.85%	
RELIANCE INDUSTRIES LIMITED	INE002A01018	Manufacture of other petroleum n.e.c.	10,637.00	9,389,279.90	8.06%	
ASIAN PAINTS LTD.	INE021A01026	INE021A01026 Manufacture of paints and varnishes, enamels or lacquers	3,617.00	4,052,486.80	3.48%	
POWER GRID CORPORATION OF INDIA LIMITED	INE752E01010	Transmission of electric energy	7,760.00	1,499,620.00	1.29%	
SUN PHARMACEUTICALS INDUSTRIES LTD	INE044A01036	Manufacture of allopathic pharmaceutical preparations	4,790.00	2,371,529.00	2.04%	
HOUSING DEVELOPMENT FINANCE CORPORATION	INE001A01036	INE001A01036 Activities of specialized institutions granting credit for house purchases	3,836.00	7,003,001.60	6.01%	
Zee Entertainment	INE256A01028	Television programming and broadcasting activities	7,985.00	4,595,367.50	3.95%	
тстр	INE154A01025	INE154A01025 Manufacture of cigarettes, cigarette tobacco	18,210.00	4,652,655.00	4.00%	
LARSEN AND TOUBRO LIMITED	INE018A01030	Other civil engineering projects n.e.c.	5,376.00	7,047,398.40	6.05%	
Pidlifte	INE318A01026	Manufacture of organic and inorganic chemical compounds n.e.c.	530.00	486,434.00	0.42%	
STATE BANK OF INDIA	INE062A01020	INE062A01020 Monetary intermediation of commercial banks, saving banks, postal savings	12,780.00	3,193,722.00	2.74%	
AMBUJA CEMENTS LTD	INE079A01024	Manufacture of clinkers and cement	17,300.00	4,030,035.00	3.46%	
TATA STEEL LIMITED.	INE081A01012	Manufacture of hot-rolled and cold-rolled products of steel	8,261.00	4,717,444.05	4.05%	
HINDALCO INDUSTRIES LTD.	INE038A01020	Manufacture of Aluminium from alumina and by other methods and products	20,975.00	4,500,186.25	3.86%	
BHARTI AIRTEL LTD	INE397D01024	Activities of maintaining and operating pageing, cellur and other	2,500.00	2,192,850.00	1.88%	
HDFC BANK LTD	INE040A01026	INEO40A01026 Monetary intermediation of commercial banks, saving banks, postal savings	3,091.00	5,829,935.10	5.01%	
ICICI BANK LTD	INE090A01021	Monetary intermediation of commercial banks, saving banks, postal savings	9,956.00	2,771,252.60	2.38%	
INFOSYS LTD EQ	INE009A01021	Writing , modifying, testing of computer program to meet the need	3,150.00	3,565,170.00	3.06%	
EICHER MOTORS LTD	INE066A01013	Manufacture of commercial vehicles such as vans, lorries, over-the-road	82.00	2,326,557.30	2.00%	
HCL Technologies Limited	INE860A01027	Writing , modifying, testing of computer program to meet the need	2,950.00	2,857,370.00	2.45%	
TECH MAHINDRA LIMITED	INE669C01036	Writing , modifying, testing of computer program to meet the need	4,050.00	2,586,735.00	2.22%	
GAIL (INDIA) LIMITED	INE129A01019	Disrtibution and sale of gaseous fuels through mains	11,420.00	3,752,041.00	3.22%	
TATA STEEL RIGHTS PARTLY PAID -EXCERICED	IN9081A01010	Manufacture of hot-rolled and cold-rolled products of steel	392.00	25,095.60	%50'0	
HERO MOTOCORP LIMITED	INE158A01026	Manufacture of motorcycles, scooters, mopeds etc. and their	1,172.00	4,152,161.60	3.57%	
Total				116,400,035.85	%96'66	

Money Market Instruments:-		STATES STATES	Market Value	% of Portfolio Ratings
- Treasury Bills				
- Money Market Mutual Funds			3,791,203.03	3.26%
- Certificate of Deposits / Commercial Papers				
- Application Pending Allotment				5
- Bank Fixed Deposits (< 1 Year)				
- Cash/ Cash Equivalent & Net Current Assets			155,776.46	0.13%
- Other Current Assets (Accrued Interest)			(3,901,256.72)	
GRAND TOTAL			116,445,758.62	100.00%

Birla Sun

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नई दिल्ली New Delhi

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NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier I

Key Statictics for the year ended March 31, 2018

. No Particular	As at March 31,20
1 NAV per Unit (Rs)	A3 dt Walti 31,20.
Open	
High	10.00
Low	11.96
End	9.73
End	10.92
2 Closing Assets Under Management (Rs in Lakhs)	
End	1 164
Average (AAUM)	1,164
	302
3 Gross Income % of AAUM@	1.0
4 Expense Ratio	
a.Total Expenses as % of AAUM @	
b.Management fees as a % of AAUM	0.0
	0.0
5 Net Income as a % of AAUM@	-9.8
	-5.0
6 Portfolio turnover ratio	0
7 Returns (%) * Compounded Annualised Yield	
Last 1 Year	
Last 3 years	
Last 5 years	
Since Launch of the Scheme	
Launch Date	9
	09/05/20

@includes unrealised gain or loss

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
- 5 NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)









2nd Floor, Kapur House, Paranjape B Schame Road No. 1, Vile Para (E), Mumbai 400 57 T: 91 22 2663 500 www.mmchitale.com

INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme E Tier II under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of

John J



material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the deficit of the Scheme for the period ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.



- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.
- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- e) In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:
- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

(S. M. Chitale)
Partner

M No.: 111383

Place: Mumbai

Date: 2 8 JUN 2018

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier II BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		
Unit Capital	1	14,534,078
Reserve & Surplus	2	1,310,219
Current Liabilities	3	210,198
Total		16,054,495
<u>Assets</u>		
Investment	4	15,841,457
Other Current Assets	5	213,038
Total		16,054,495
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		15,844,297
(b) number of units outstanding		1,453,408

Significant accounting policies and notes to accounts

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

Shitale

S. M. Chitale Partner

Membership No. 111383

MUMBAI O

sh. In

Sashi Krishnan (CEO)

For Aditya Birla Sun Life Pension Management Limited

Sun Life

Ment Lto

S.C.Bhargava (Director)

Place : Mumbai

Date: 2 8 JUN 2018

For and on behalf od NPS Trust

Helwo Vouetus (Chairman, NPS Board)

Place : Mumbai

Date:

2 8 JUN 2018



Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E- Tier II REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	Period ended March 31,2018 ₹
Income		
Dividend		35,398
Interest		250
Profit on sale/redemption of investments	6	48,017
Total Income (A)		83,415
Expenses & Losses		
Unrealised losses in value of investments		2,68,689
Loss on sale/redemption of investments		35,514
Management fees (including service tax)		698
NPS Trust fees		592
Custodian fees		222
Depository and settlement charges		21
CRA fees		4,564
Less: Amount recoverable by sale of units on account of CRA Charges		-4,564
Total Expenditure (B)		. 3,05,735
Surplus/(Deficit) for the year (A-B = C)		(2,22,321)
Less: Amount transferred to Unrealised appreciation account		-2,68,689
Less: Amount transferred to General Reserve		46,368
Amount carried forward to Balance Sheet		-
Significant accounting policies and notes to accounts	7 & 8	

As per our report of even date For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Partner

Membership No. 111383

Place: Mumbai

For and on behalf od NPS Trust

mm laueron (Chairman, NPS Board)

Place: Mumbai

Date:

For Aditya Birla Sun Life Pension Management Limited

ashi Krishnan

(CEO)

S.C.Bhargav (Director)

Munish Malik

(Chief Executive officer)

New Delhi

2 8 JUN 2018

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E TIER II

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31 2018

Note 1: Unit capital	As at March 31,2018	
Unit Capital	•	
Outstanding at the beginning of the period		
Add :Units issued during the period	26,330,304	
Less: Units redeemed during the period Outstanding at the end of the period	(11,796,226) 14,534,078	
	14,034,076	
(Face Value of Rs.10/- each unit, fully paid up) Outstanding units at the beginning of the period		
Add :Units issued during the period	2,633,031	
Less: Units redeemed during the period Outstanding Units at the end of the period	(1,179,623)	
outstanding onits at the end of the period	1,453,408	
Note 2: Reserves and surplus	As at March 31,2018	
Unit premium reserve		
Opening balance Add: Premium on Units issued		
Less: Premium on Units redeemed	2,711,365 (1,178,825)	
Closing balance	1,532,540	
General Reserve Opening balance		
Add/(Less): Transfer from/(to) Revenue Account	46.350	
Closing balance —	46,368 46,368	
Unrealised Appreciation Reserve		
Opening balance Add/(Less): Transfer from/(to) Revenue Account	(0.00.000)	
Closing balance —	(268,689)	
Total	1,310,219	
Note 3: Current liabilities and provisions		
	As at March 31,2018	
Sundry creditors for expenses Redemption Payable	208.515	
Other payable	208,515	
NPS charges payable	333	
NSDL Fees Payable Management fees payable	21	
Custody charges payable	394 222	
Total	210,198	
Note 4: Investments	As at March 31,2018	
Investment Central Government Securities		
Equity shares Debentures and Bonds Listes/Awaited Listed"	15,841,457	
Investment SDLC		
54 A - 15 - 111 S		
Mutual Fund Units		
	15,841,457	
Mutual Fund Units — Total — Note 5: Other current assets	As at March 31,2018	
Total ————————————————————————————————————		
Total ————————————————————————————————————	As at March 31,2018	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments	As at March 31,2018 • 171,557	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments	As at March 31,2018 171,557 41,481 213,038	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments	As at March 31,2018 171,557 41,481 213,038 For the period ended	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments	As at March 31,2018 171,557 41,481 213,038	
Total	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units	As at March 31,2018 171,557 41,481 213,038 For the period ended	
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895	n Life Pen
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total As per our report of even date	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017	- Jun Life Pensio
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. For Aditya Birla Sun Life Pensi	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017	Jun Life Pension V
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total As per our report of even date	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017	Par Life Penson Mar
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of Investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W M. CHITAL	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017	Bury Thie Penson Mana
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on Sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants For Aditya Birla Sun Life Pensi Tim Reg. No. 1066555V M. CHITAL Seshii Krishnan	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017 on Management Limited S.C.Bhargava	Life Penson Managa
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. For Aditya Birla Sun Life Pensi Firm Reg. No. 106655W M. CHITA Sashi Krishnan (CEO)	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017 on Management Limited	Name of the Pension Manage of the Pension Ma
Note 5: Other current assets Balances with banks in current account. Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on Sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Tim Reg. No. 106655W M. CHITA Seshi Krishnan (CEO)	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017 on Management Limited S.C.Bhargava	Life Pension Managa
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on sale of Mutual fund scheme Units Total Sa per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W M. Chitale Partner Membership No. 111883	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017 on Management Limited S.C.Bhargava	Life Pension Manage
Note 5: Other current assets Balances with banks in current account Receivable for sale of investments Total Note 6: Realised Gain on Sale/redemption of investment Profit on Sale of Equity shares Profit on Sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants For Aditya Birla Sun Life Pensi Firm Reg. No. 106655W M. CHITA Seshi Krishnan (CEO) Mariae: Mumbai Jate: On and on behalflood NPS Tast Mumbai Jate: On and on behalflood NPS Tast Mumbai	As at March 31,2018 171,557 41,481 213,038 For the period ended March 31,2018 42,895 5,122 48,017 on Management Limited S.C.Bhargava	A PIT Walls A PIT WALL A PIT
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NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME E TIER II

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- Record keeping, Administration and Customer service function for NPS subscriber,
- Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN.
- PRAN Transaction Statement,
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017. NPS trust has designated



Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA..

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

The financials have been prepared for SCHEME E TIER II being managed by the Company.

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the



Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.

As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis

(vi) Securities traded at a stock exchange:

- Equity traded on valuation day (Actively Traded equity): Where a security is traded on any stock exchange on a particular valuation day, the last quoted closing price at which it was traded on the selected stock exchange, as the case may be, may be used (Closing prices from BSE/NSE for the day).
- Equity not traded on valuation day (Thinly traded equity): When a security is not traded
 on any stock exchange on a particular valuation day, the last quoted closing price at
 which it was traded on the selected stock exchange, as the case may be, on the earliest
 previous day may be used provided such date is not more than thirty days prior to
 valuation date.
- Non traded rights are valued at the difference of closing market price of the original equity share for the day and the offer price. Traded rights are valued at the closing market price of the rights renunciation till the time of application. In the event of application of rights, the rights entitlement would be valued at the closing market price of the original equity share till the date of allotment/listing.
- Mutual fund units are valued based on the net asset values of the preceding day of the valuation date.

(vii) Securities not traded at a stock exchange:

Non-traded / thinly traded / privately placed equity securities including those not traded within thirty days are valued "in-good faith" on the basis of following valuation methods approved by the Authority/Trust:

Equity instruments are generally valued on the basis of capitalization of earnings solely or in combination with the net asset value, using for the purposes of capitalization, the price or earning ratios of comparable traded securities and with an appropriate discount for lower liquidity.

7.4 Income Recognition

- Dividend is accounted on accrual basis and recognised on the date the share is quoted on ex-dividend basis
- Bonus entitled shares is recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis.
- Rights entitlements are recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.



- Profit or loss on sale of equity is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book coston the date of sale.
- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.
- Other income of a miscellaneous nature is accounted for as and when realised

7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.9 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due. Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.

NATIO NATIONAL PENSION SYSTEM TRUST NPS TI NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED - SCHEME E TIER II NOTE 8 Notes to Accounts

- $8.1\,$ All investments of the scheme are in the name of the NPS trust .
- 8.2 At the end of the financial year, there are no open positions of derivatives in the scheme

8.3 The Schemes investments made in associates and Group companies as on Mar 31, 2018

		As on 31.03.2018	
Security particulars	no of shares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

8.4 As on the date of Balance sheet , the scheme does not have any investments which can be categorized as NPA

8.5 Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

	As on 31.03.2018	
Particular	Rs in Crs	% to AAUM
Unrealised Gain	0	0.00%
Unrealised Loss	268,689	2.69%
Net Unrealised Loss	268,689	2.69%

8.6 Aggregate value of purchase and sale with percentage to average assets

Particular	As on 31.03.2018
Average Net Asset Value	6,572,755
Purchase of Investment	28,681,586
% to average Net Asset Value	436%
Sale of Investment	12,666,633
% to average Net Asset Value	193%

- 8.7 Following are the transaction with Associates & Group companies under the scheme
- a) The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

	E-Tier II
Particular	31.03.2018
Investment management fees	698

b) Balance with Aditya Birla Sun life Pension management Ltd

	E-Tier II
Particular	31.03.2018
Investment Management Fees payable	394

8.8 Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium ReserveBased on confirmation from CRA the number of units as at the year end are 14,53,408

8.9 Unit NAV

Particular	As on 31.03.2018
NAV per unit (Rs)	10.9015

- 8.10 The scheme has no contingent liability as at the end financial year.
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

नई दिल्ली

New Delhi

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants

Firm Reg. No. 106655W

For Aditya Birla Sun Life Pension Management Limited

Wall

Place: Mumb

S. M. Chitale Partner Membership No

CHIT

Sashi Krishnan

(CEO)

S.C.Bhargava (Director)

Life Pa

rtd,

Munish Malfk

(Chairman , NPS Board)

Place : Mumbai Date:

(Chief Executive officer)

2 8 JUN 2018

Portfolio Statement for the Year ended March 31, 2018

NAME OF PENSION FUND

F. TIER II

MONTH

March '18

	Name of the Instrument	ISIN No.	Industry	Ousnelle.	Market Value	at of Doubles Duetan
		INE090A01021	_	00:	4,009.45	2.93%
	LARSEN AND TOUBRO LIMITED	INE018A01030		755.00	989,729.50	6.25%
	HERO MOTOCORP LIMITED INE158A01026	INE158A01026	Manufacture of motorcycles, scooters, mopeds etc. and their	182.00	644,789.60	4 07%
	MAHINDRA AND MAHINDRA LTD	INE101A01026	Manufacture of motor vehicles n.e.c.	700.00	517,230.00	2000
	PETRONET LNG LTD	INE347G01014	Distribution and sale of gaseous fuels through mains	2,764.00	638.345.80	4.03%
	SUN PHARMACEUTICALS INDUSTRIES LTD	INE044A01036	_	150.00	74,265.00	70476
	HOUSING DEVELOPMENT FINANCE CORPORATION	INE001A01036	Activities of specialized institutions granting credit for house purchases	597.00	1,089,883.20	R
						6.88%
	ITCLTD	INE154A01025		2,923.00	746,826.50	4.71%
	STATE BANK OF INDIA	INE062A01020		1,953.00	488,054.70	3.08%
	HINDALCO INDUSTRIES	INE038A01020	Manufacture of hot-rolled and cold-rolled products of steel Manufacture of Aluminium from alumina and by other methods and products	1,303.00	744,078.15	4.70%
	UNEC BANK I TO	2004040101	-			3.85%
	INFOCKE ITO FO	INEGGRADIO21	Worlderary Intermediation of commercial banks, saving banks, postal savings	370.00	697,857.00	4.40%
	HCL Technologies Limited	INE860A01027		265.00	256,679.00	4.34%
	44.00	and the same of th	-			1.62%
	IECH MAHINDRA LIMITED	INE669C01036	Writing , modifying, testing of computer program to meet the need	415.00	265,060.50	1.67%
	TATA STEEL RIGHTS PARTLY IN9081A01010 PAID -EXCERICED	IN9081A01010	Manufacture of hot-rolled and cold-rolled products of steel	70.00	9,838.50	0 06%
	GAIL (INDIA) LIMITED	INE129A01019	Distribution and sale of gaseous fuels through mains	1,660.00	545,393.00	3.44%
	EICHER MOTORS LTD	INE066A01013	Manufacture of commercial vehicles such as vans, lorries, over-the-road	13.00	368,844.45	2.33%
	BHARTI AIRTEL LTD	INE397D01024	Activities of maintaining and operating pageing, cellur and other	250.00	99,675.00	0.63%
	AMBUJA CEMENTS LTD	INE079A01024		2,658.00	619,181.10	3.91%
1	Zee Entertainment	INE256A01028	Television programming and broadcasting activities	1,252.00	720,526.00	4.55%
(51)		INE002A01018		1,361.00	1,201,354.70	7.58%
		INE585801010	Manufacture of passenger cars	130.00	1,151,943.00	7.27%
	KOTAK MAHINDRA BANK JIMITED	INE237A01028	Monetary intermediation of commercial banks, saving banks. postal savings	628.00	658,018.40	4.15%
25	HINDUSTAN UNILEVER LIMITED	INE030A01027	Manufacture of soap all forms	939.00	1,252,015.65	7 00%
	ASIAN PAINTS LTD.	INE021A01026	Manufacture of paints and varnishes, enamels or lacquers	554.00	620,701.60	3.92%
1,	Total					
_	lotai				15,841,456.80	99.98%
	Money Market Instruments:-	4	日本 1 年 1 年 1 年 1 年 1 年 1 年 1 年 1 年 1 年 1	Ma	Market Value 9	% of Portfolio Ratings
	- Treasury Bills					,
-	- Money Market Mutual Funds	nds				
M	- Certificate of Deposits / Commercial Papers	ommercial Pape.	13		#9	
	- Application Pending Allotment	nent				
HI	- Cash/ Cash Fourvalent & Net Current Assets	ear)	2			2000 +
-	- Other Current Assets				(168 718 201	1.06%
111					I TANDIL TOWN	TANDON T







100.00%

15,844,296.19

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier II

Key Statictics for the year ended March 31, 2018

Particular	As at March 31,2018
1 NAV per Unit (Rs)	
Open	10.000
High	11.936
Low	9.771
End	10.901
2 Closing Assets Under Management (Rs in Lakhs)	
End	158.4
Average (AAUM)	65.1
3 Gross Income % of AAUM@	1.27
4 Expense Ratio	
a.Total Expenses as % of AAUM @	0.03
b.Management fees as a % of AAUM	0.01
5 Net Income as a % of AAUM@	-3.38
6 Portfolio turnover ratio	0.
7 Returns (%) * Compounded Annualised Yield	
Last 1 Year	
Last 3 years	
Last 5 years	
Since Launch of the Scheme	9.
Launch Date	09/05/20

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
 - NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no.
- 5 of units at the valuation date (before creation / redemption of units)









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INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme C Tier I under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant

South



to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 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 Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- e) In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:
- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

> (S. M. Chitale) Partner

M No.: 111383

^{Date:} **2** 8 JUN 2018

Place: Mumbai

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C Tier I BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		•
Unit Capital	1	61,944,087
Reserve & Surplus	2	5,683,615
Current Liabilities	3	24,982
<u>Total</u>		67,652,684
Assets		
nvestment	4	65,395,997
Other Current Assets	5	2,256,687
Total		67,652,684
a) Net asset as per Balance Sheet (Schedule 4+5-3)		67,627,702
b) number of units outstanding		6,194,409

Significant accounting policies and notes to accounts forming part of Financial Statement

As per our report of even date For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W For Aditya Birla Sun Life Pension Management Limited

Ghitale

S. M. Chitale

Partner

Membership No. 111383

MUMBAI Chiral MUMBAI

Sashi Krishnan

(CEO)

S.C.Bhargava (Director)



Place : Mumbai

Date: 2 8 111N 2018

For and on behalf od NPS Trust

Hehrin Varen (Chairman, NPS Board)

Place: Mumbai

Date:

2 8 JUN 2018



Munish Malik (Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C- Tier I

REVENUE ACCOUNT FOR THE	HE PERIOD ENDED MARCH 31,	2018	
Particulars		Note	Period ended March 31,2018 ₹
Income			
Dividend			-
Interest			10,52,007
Profit on sale/redemption of investments		6	93,665
Profit on sale of inter-scheme transfer/ Sale of investments			-
Unrealised gain on appreciation in investments			43,660
Other income			
Total Income (A)			11,89,332
Expenses & Losses			
Management fees (including service tax)			1,700
NPS Trust fees			1,441
Custodian fees			467
Transaction charges			824
CRA fees			31,794
Less: Amount recoverable by sale of units on account of CRA	A Charges		-31,794
Total Expenditure (B)			4,432
Surplus/(Deficit) for the period (A-B = C)			11,84,900
Less: Amount transferred to Unrealised appreciation accoun	nt		43,660
Less: Amount transferred to General Reserve			11,41,240
Amount carried forward to Balance Sheet			-
Significant accounting policies and notes to accounts		7 & 8	
As per our report of even date			
For Mukund M. Chitale & Co.	or Aditya Birla Sun Life Pensio	n Manageme	ent Limited

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale Partner

Membership No. 111383

Sashi Krishnan

(CEO)

S.C.Bhargava

(Director)

Place : Mumbai

Date: 2 8

For and on behalf od NPS Trust

(Chairman, NPS Board)

Place: Mumbai Date:

2 8 JUN 2018



Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST DITYA BIRLA SUN LIFE, PENSION FUND SCHEME - C Tier I

Note 1: Unit capital	4
tota at other cupital	As at March 31,2018
Init Capital	
Outstanding at the beginning of the period	
Add :Units issued during the period	94,902,863
ess: Units redeemed during the period	(32,958,776
Outstanding at the end of the period	61,944,087
Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the period	9,490,286
Add :Units issued during the period	(3,295,878
ess: Units redeemed during the period Outstanding Units at the end of the period	6,194,409
Note 2: Reserves and surplus	As at March 31,2018
Unit premium reserve	
Opening balance	
Add: Premium on Units issued	6,847,638
less: Premium on Units redeemed	(2,348,923
Closing balance	4,498,715
General Reserve	
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	1,141,24
Closing balance	1,141,240
Unrealised Appreciation Reserve	
Opening balance	43,660
Add/(Less): Transfer from/(to) Revenue Account Closing balance	43,660
Fotal	5,683,61
iotai	3,003,02.
Note 3: Current liabilities and provisions	As at March 31,2018
Redemption Payable	21,386
Sundry creditors for expenses	
NPS charges payable	1,05
Management fees payable	1,24
Custody charges payable	46
Transaction Charges Payable	82
Total	24,98
Note 4: Investments	As at March 31,2018
Investment Central Government Securities Equity shares	
Debentures and Bonds Listes/Awaited Listed"	56,655,00
Investment SDLC	
Mutual Fund Units	8,740,99
Total	65,395,99
Note 5: Other current assets	As at March 31,2018
Balances with banks in current account	67,89
Income accrued and Due	01,00
Interest Receivable on NCD	66,40
Income accrued but not Due	
Interest Receibvable but Not Due on NCD	2,122,39
Total	2,256,68
1000	
Note 6: Realised Gain on Sale/redemption of investment	For the Period
The state of the s	March 31,2018
	•
Profit on sale of Mutual fund scheme Units	93,66

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

Sashi Krishnan (CEO)

व्यान मिस्टर

नई दिल्ली New Delhi

MUMBAI or and on behalf of the Trust Cred Account (Chairman, NPS Board)
Place: Mumbai Date:

S.C.Bhargava (Director)

Munish Malik

2 8 JUN 2018

(Chief Executive officer)

in Life p

ent Ltd.

NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME C TIER I

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt..Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- Record keeping, Administration and Customer service function for NPS subscriber,
- · Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN.
- PRAN Transaction Statement,
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

NPS trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.



As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis.

(vi) Debt Securities other than Government Securities

- Debt securities other than Government securities with a residual maturity over 60 days
 are valued at weighted average traded price on that day. When such securities are not
 traded on a particular day, they are valued on a yield to maturity basis, by using spreads
 over risk free benchmark yield obtained from agencies entrusted for the said purpose, by
 association of mutual fund in India (AMFI) to arrive at the yield for pricing the security.
- Debt securities other than Government securities with a residual maturity upto 60 days are valued at weighted average traded price on that day. When such securities are not traded on a particular day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument. In case of floating rate securities with floors and caps on coupon rate and residual maturity of upto 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

(vii) Valuation of securities having call and/or Put options:

- Callable Bonds with single / daily / multiple call options will be valued at lowest value basis.
- Puttable Bonds with single / daily / multiple call options will be valued at highest value basis
- The securities with both Call & Put options on the same day would be deemed to mature on the Call/Put day and will be valued accordingly.
- For perpetual bonds with single / daily / multiple call options, the price for all options dates till the maturity date will be computed and the lowest price will be used for valuing the bonds.

(viii) Valuation of Partly Paid up Bonds

Partly paid bonds will be valued on the paid up value of the bonds till it is fully paid.

(ix) Valuation of debt securities below Investment grade of BBB-

Valuation of performing non-government debt securities below Investment grade of BBBat a discount of 25% to face value (as per SEBI guideline CIR MFD/CIR/8/92/2000 dated September 18,2000)

(x) Valuation of Money Market Investment and Mutual Fund

Money market instruments like treasury bills, commercial paper, and certificate of deposit are valued at amortised cost. If they are traded, then they are valued at the last traded price on NSE.

Mutual fund units are valued based on the net asset value of the preceding day of the valuation date

7.4 Income Recognition

- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date up to the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date up to the date of sale credited to Interest Recoverable Account and not included in sale value.
- Accretion of discount and amortisation of premium relating to debt securities like Zero Coupon Bond and Money Market Investment are recognised over the holding / maturity period on a straight-line basis.
- Profit or loss on sale of debt securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale.
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book costas on the date of sale.
- Other income of a miscellaneous nature is accounted for as and when realised

7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

79 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.



NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED - SCHEME C TIER I **NOTE 8 Notes to Accounts**

- 8.1 All investments of the scheme are in the name of the NPS trust .
- 8.2 At the end of the financial year, there are no open positions of derivatives in the scheme

8.3 The Schemes investments made in associates and Group companies as on Mar 31, 2018

Security particulars	no of shares/bonds	As on 31.0	3.2018
Security particulars	no or snares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

8.4 As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA

8.5 Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

	As on 31.03.	2018
Particular	Amount (in Rs.)	% to AAUM
Unrealised Gain	43,660	0.27%
Unrealised Loss	0	0.00%
Net Unrealised Gain	43,660	0.27%

8.6 Aggregate value of purchase and sale with percentage to average assets

Particular	As on 31.03.2018
Average Net Asset Value	16,099,092
Purchase of Investment	233,316,237
% to average Net Asset Value	1449%
Sale of Investment	168,057,565
% to average Net Asset Value	1044%

8.7 Following are the transaction with Associates & Group companies under the scheme

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

Particular	C-TIER II
Particular	Amount (in Rs.)
Investment management fees	1,700

Balance with Aditya Birla Sun life Pension management Ltd

Particular	C-TIER II
Particular	Amount (in Rs.)
Investment Management Fees payable	1,248

8.8 Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium ReserveBased on confirmation from CRA the number of units as at the year end are 61,94,409

.9 Unit NAV	
Particular	As on 31.03.2018
NAV per unit (Rs)	10.9175

- 8.10 The scheme has no contingent liability as at the end financial year.
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

New Delhi

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As per our report of even date For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Partner Membership No. 111383

élwm Pau (Chairman , NPS Board)

Place : Mumbai Date:

2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limiter

Sashi Krishnar

(CEO)

S.C.Bhargava (Director)

un Life

Munish Malik (Chief Executive officer)

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Portfolio Statement for the year ended March 31, 2018

NAME OF PENSION FUND SCHEME NAME MONTH

NPS TRUST A/C-ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C Tier I C-TIER I March'18

Name of the Instrument	ISIN No.	Industry	Quantity	Quantity Market Value	% of Portfolio	Ratings
7.93% POWER GRID CORPORATION MD 20.05.2028	INE752E07KZ3	Transmission of electric energy	1.00	994,903.00	1.47%	
7.93% POWER GRID CORP MD 20.05.2027	INE752E07KY6	Transmission of electric energy	2.00	1,986,888.00	2.94%	
9.18% NPCIL 23.01.2026	INE206D08188	Electric power generation and transmission by nuclear power plants	2.00	2,148,770.00	3.18%	
8.85% PFC 15.06.2030	INE134E08DB8	Other credit granting	1.00	1,064,159.00	1.57%	
8.15% Bajaj Finance Ltd MD 22/06/2027	INE296A08847	Other financial service activities, except insurance and pension funding activities	2.00	1,956,426.00	2.89%	
9.10% PNBHFL MD 21/12/2022	INES72E09197	Activities of specialized institutions granting credit for house purchases	1.00	1,044,520.00	1.54%	
8%Mahindra Financial Sevices LTD NCD MD 24/07/2027	INE774D08MK5	Other financial service activities, except insurance and pension funding activities	1,300.00	1,259,411.40	1.86%	
8.70% L&T Infra Finance Co Ltd 24.03.2022	INE691107299	Other monetary intermediation services n.e.c.	1,400.00	1,408,657.60	2.08%	
7.86% LIC housing Finance MD 17/05/2027	INE115A07LU0	Activities of specialized institutions granting credit for house purchases	1.00	989,095.00	1.46%	
Indiabull Housing Finance (series VI A) NCD 8.85% 26/09/2026	INE148107GK5	Activities of specialized institutions granting credit for house purchases	1,000.00	1,047,631.00	1.55%	
9.30% Dewan Housing Finance Ltd 2026 (Secured)	INEZOZBOZHVO	Activities of specialized institutions granting credit for house purchases	800.00	859,093.60	1.27%	
8.30% Power Finance Corporation MD 31/03/2021	INE134E07075	Other credit granting	160.00	815,359.20	1.21%	
9% Mahindra Financial Sevices LTD NCD (series B) MD 06/06/26	INE774D08MA6	Other financial service activities, except insurance and pension funding activities	600.00	617,383.20	0.91%	
7.93% PGC 20.05.2026	INE752E07KX8	Transmission of electric energy	1.00	993,252.00	1.47%	
8.70% PFC 14.05.2025	INE134E08CY2	Other credit granting	2.00	5,174,670.00	7.65%	
7.70% REC 12.12.2027	INE020B08AQ9	Other credit granting	5.00	4,898,285.00	7.24%	
8.45% SUNDARAM FINANCE 19.01.2028	INE660A08BX8	Financial leasing	5.00	4,976,255.00	7.36%	
9.35 % REC 15.06.2022	INE020B08740	Other Financial Service Activities, Except Insurance And Pension Funding Activities, N.E.C.	4.00	4,215,860.00	6.23%	
8.85 % AXIS BANK 05.12.2024	INE238A08351	Other Financial Service Activities, Except Insurance And Pension Funding Activities, N.E.C.	00.9	6,242,496.00	9.23%	
8.15 % EXIM 05.03.2025	INES14E08EL8	Other monetary intermediation services n.e.c.	5.00	5,027,295.00	7.43%	
8.20% NABARD 09.03.2028	INE261F08AD8	Monetary intermediation of commercial banks, saving banks. postal savings	5.00	5,119,380.00	7.57%	
7.27% IRFC 15.06.2027	INE053F07AB5	Other credit granting	4.00	3,815,212.00	5.64%	
Total				56,655,002.00	83.77%	

Aoney Market Instruments:-	Market Value	% of Portfolio	Ratin
- Treasury Bills		•	
- Money Market Mutual Funds	8,740,994.83	12.93%	
- Certificate of Deposits / Commercial Papers			
- Application Pending Allotment	•		
- Bank Fixed Deposits (< 1 Year)			
- Cash/ Cash Equivalent & Net Current Assets	67,894.60		
-Other Current Assets (Accrued Interest.)	2,122,392.90	3.14%	
Let Current assets	41,417.07		
IRAND TOTAL	67,627,701.40	100.00%	

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Securities		Market Value	Market Value
Central Govt. Securities			
State Development Loans			
AAA / Equivalent			
A1+ (For Commercial Paper)	Ċ.		
AA+ / Equivalent			
AA / Equivalent			
AA- / Equivalent			
A+ / Equivalent	Aditya 8:		
A / Equivalent	N N N N N N N N N N N N N N N N N N N		
A- / Equivalent	5 /07/		
BBB+ / Equivalent	17		
BBB / Equivalent	L		
	196		

80.15





NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - E Tier I

Key Statictics for the year ended March 31, 2018

No Particular	As at March 31,2018
1 NAV per Unit (Rs)	
Open	10.0000
High	11.9632
Low	9.7338
End	10.9217
2 Closing Assets Under Management (Rs in Lakhs)	
End	1,164.46
Average (AAUM)	302.19
3 Gross Income % of AAUM@	1.02%
4 Expense Ratio	
a.Total Expenses as % of AAUM @	0.03%
b.Management fees as a % of AAUM	0.01%
5 Net Income as a % of AAUM@	-9.87%
6 Portfolio turnover ratio	0.03
7 Returns (%) * Compounded Annualised Yield	
Last 1 Year	
Last 3 years	
Last 5 years	
Since Launch of the Scheme	9.22
Launch Date	09/05/2017

@includes unrealised gain or loss

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
- 5 NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)





Sun /



2nd Floor, Kapur House, Paranjape B Scheme Road No. 1, Vile Parle E), Mumbai 400057 T: 91 22 2663 3 00 www.mmchitale.com

INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme C Tier II under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant



to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



ACCOUNTANTS

- In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by e) this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- We further certify that: 8
- Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in a) accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- Transaction and claims/fee raised by different entities are in accordance with the b) prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

> (S. M. Chitale) Partner

M No.: 111383

Date: 2 8 JUN 2018

Place: Mumbai

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C- Tier II BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		
Unit Capital	1	8,598,646
Reserve & Surplus	2	556,659
Current Liabilities	3	62,264
Total		9,217,569
Assets		
Investment	4	8,815,258
Other Current Assets	5	402,311
Total		9,217,569
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		9,155,305
(b) number of units outstanding		859,865

Significant accounting policies and notes to accounts

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Reg. No. 106655W

Ghitale

S. M. Chitale

Partner

Membership No. 111383

Place : Mumbai

Date: 2 8 JUN 2018
For and on behalf od NPS Trust

(Chairman, NPS Board)

Place : Mumbai

Date:

2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan (CEO)

S.C.Bhargava

Sun Life

Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C- Tier II REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	Period ended March 31,2018
Income		₹
Dividend		
Interest		2,15,482
Profit on sale of inter-scheme transfer/ Sale of investments	6	26,195
Unrealised gain on valuation in investments	U	774
Total Income (A)	73	2,42,451
Expenses & Losses		2,42,431
Unrealised losses in value of investments		37,751
Loss on sale/redemption of investments		23
Management fees (including service tax)		347
Trustship fees		309
Custodian fees		95
Depository and settlement charges		353
CRA fees		1,878
Less: Amount recoverable by sale of units on account of CRA Charges		-1,878
Total Expenditure (B)		38,878
	:	30,070
Surplus/(Deficit) for the year (A-B = C)		2,03,573
Less: Amount transferred to Unrealised appreciation account		-36,977.09
Less: Amount transferred to General Reserve		2,40,550
Amount carried forward to Balance Sheet		-
Significant accounting policies and notes to accounts	7 & 8	

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Partner

Membership No. 11138

For Aditya Birla Sun Life Pension Management Limited

ashi Krishnan

(CEO)

S.C.Bhargava

(Director)

עג רגק'

Place: Mumbai

For and on behalf od NPS Trust

(Chairman, NPS Board)

Place : Mumbai

Date:

2 8 JUN 2018



Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C Tier II

Note 1: Unit capital	As at March 31,2018
	1
Unit Capital	
Outstanding at the beginning of the period	
Add :Units issued during the period	15,751,878
Less: Units redeemed during the period	(7,153,232)
Outstanding at the end of the period	8,598,646
on and an are purious	0,336,040
Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the period	828
Add :Units issued during the period	1,575,188
Less: Units redeemed during the period	(715,323)
Outstanding Units at the end of the period	
outstanding office of the end of the period	859,865
Note 2: Reserves and surplus	As at March 31,2018
Unit premium reserve	
Opening balance	
Add: Premium on Units issued	639,574
Less: Premium on Units redeemed	(286,488)
Closing balance	353,086
General Reserve	
Opening balance	120
Add/(Less): Transfer from/(to) Revenue Account	240,550
Closing balance	240,550
Unrealised Appreciation Reserve	
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	(36,977)
Closing balance	(36,977)
ording busines	(30,377)
rotal .	556,659
and de-	
Note 3: Current liabilities and provisions	As at March 31,2018
Redemption Payable	61,447
Sundry creditors for expenses	34,110
NPS charges payable	169
Management fees payable	200
Custody charges payable	95
Fransaction Charges Payable	353
Transaction Charges Payable Total	62,264
The state of	62,264
Note 4: Investments	As at March 31,2018
TWO THE STREET	As at March 31,2018
Debentures and Bonds Listes/Awaited Listed"	8,251,485
Mutual Fund Units	563,773
Total	8 815 258

Total 8,815,258 Note 5: Other current assets As at March 31,2018 Balances with banks in current account 62,646 Income accrude and Due Interest Receibvable on NCD 16,600 Income accrude but not Due Interest Receibvable but Not Due on NCD 402,311 Note 6: Realised Gain on Sale/redemption of investment

March 31,2018 Profit on sale of Mutual fund scheme Units

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants

For Aditya Birla Sun Life Pension Management Limited

विशन सिम्ह

नई दिल्ली New Delhi

Sashi Krishnan

(CEO)

CHITAI

Munish Malik

S.C.Bhargava

(Director)

For the period ended

in Life P

בעל בלל,

(Chief Executive officer)

Firm Reg. No. 106655W

Membership No. 111383

Date : For and on behalf od NPS Trust

(Chairman, NPS Board) Partered Accountal Date:

Date:

Total

2 8 JUN 2018

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C Tier II NOTE 7 Notes to Accounts

- 8.1 All investments of the scheme are in the name of the NPS trust .
- At the end of the financial year, there are no open positions of derivatives in the scheme

8.3 The Schemes investments made in associates and Group companies as on Mar 31, 2018

Security particulars		As on 3	1.03.2018
occurry particulars	no of shares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

8.4 As on the date of Balance sheet , the scheme does not have any investments which can be categorized as NPA

8.5 Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

Particular	As on 31.03.2	2018
raiticulai	Amount (in Rs.)	% to AAUM
Unrealised Gain	774	0.02%
Unrealised Loss	37,751	1.10%
Net Unrealised Loss	36,977	1.08%

8.6 Aggregate value of purchase and sale with percentage to average assets

Particular	As on 31.03.2018
Average Net Asset Value	3,433,503
Purchase of Investment	42,029,535
% to average Net Asset Value	1224%
Sale of Investment	33,203,472
% to average Net Asset Value	967%

8.8 Following are the transaction with Associates & Group companies under the scheme

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

	C-TIER II
Particular	31.03.2018
Investment management fees	347

Balance with Aditya Birla Sun life Pension management Ltd

	C-TIER II
Particular	31.03.2018
Investment Management Fees payable	200

8.8 Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Based on confirmation from CRA the number of units as at the year end are 8,59,865

8.9 Unit NAV

Particular	As on 31.03.2018
NAV per unit (Rs)	10.6474

8.10 The scheme has no contingent liability as at the end financial year.

8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

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New Delhi

ension Syst

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants

Firm Reg. No. 106655W

For Aditya Birla Sun Life Pension Management Limite

S. M. Chitale

Partner

Membership No. 111393 Place : Mumi

Sashi Krishnan

S.C.Bhargava

Life p

nt Ltd,

(Director)

shim tarean

(Chairman , NPS Board) Place : Mumbai

Date:

Date: For and on behal

2 8 JUN 2018

Munish Malik

(Chief Executive officer)

NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME C TIER II

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt..Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- · Record keeping, Administration and Customer service function for NPS subscriber,
- Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN.
- PRAN Transaction Statement.
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

NPS trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.



As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis.

(vi) Debt Securities other than Government Securities

- Debt securities other than Government securities with a residual maturity over 60 days
 are valued at weighted average traded price on that day. When such securities are not
 traded on a particular day, they are valued on a yield to maturity basis, by using spreads
 over risk free benchmark yield obtained from agencies entrusted for the said purpose, by
 association of mutual fund in India (AMFI) to arrive at the yield for pricing the security.
- Debt securities other than Government securities with a residual maturity upto 60 days are valued at weighted average traded price on that day. When such securities are not traded on a particular day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument. In case of floating rate securities with floors and caps on coupon rate and residual maturity of upto 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

(vii) Valuation of securities having call and/or Put options:

- Callable Bonds with single / daily / multiple call options will be valued at lowest value basis.
- Puttable Bonds with single / daily / multiple call options will be valued at highest value basis.
- The securities with both Call & Put options on the same day would be deemed to mature on the Call/Put day and will be valued accordingly.
- For perpetual bonds with single / daily / multiple call options, the price for all options dates till the maturity date will be computed and the lowest price will be used for valuing the bonds.

(viii) Valuation of Partly Paid up Bonds

Partly paid bonds will be valued on the paid up value of the bonds till it is fully paid.

(ix) Valuation of debt securities below Investment grade of BBB-

Valuation of performing non-government debt securities below Investment grade of BBBat a discount of 25% to face value (as per SEBI guideline CIR MFD/CIR/8/92/2000 dated September 18,2000)

(x) Valuation of Money Market Investment and Mutual Fund

Money market instruments like treasury bills, commercial paper, and certificate of deposit are valued at amortised cost. If they are traded, then they are valued at the last traded price on NSE.

Mutual fund units are valued based on the net asset value of the preceding day of the valuation date

7.4 Income Recognition

- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date up to the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date up to the date of sale credited to Interest Recoverable Account and not included in sale value.
- Accretion of discount and amortisation of premium relating to debt securities like Zero Coupon Bond and Money Market Investment are recognised over the holding / maturity period on a straight-line basis.
- Profit or loss on sale of debt securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale.
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book costas on the date of sale.
- Other income of a miscellaneous nature is accounted for as and when realised

7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.9 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.



Portfolio Statement for the year ended March 31, 2018

NAME OF PENSION FUND SCHEME NAME MONTH

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C TIEr LI C-TIER II March'18

Name of the Instrument	ISIN No.	Industry	Quantity	Market Value	% of Portfolio	Ratings
7.93% PGC 20.05.2026	INE752E07KX8	Transmission of electric energy	1.00	993,252.00	10.85%	
7.70% REC 12.12.2027	INE020B08AQ9	Other credit granting	1.00	979,657.00	10.70%	
8%Mahindra Financial Sevices LTD NCD MD 24/07/2027	INE774D08MK5	Other financial service activities, except insurance and pension funding activities	900.00	871,900.20	9.52%	
9.25 % EXIM 18.04.2022	INES14E08AVS	Other Financial Service Activities, Except Insurance And Pension Funding Activities, N.E.C.	1.00	1,050,904.00	11.48%	
8.70% L&T Infra Finance Co Ltd 24.03.2022	INE691107299	Other monetary intermediation services n.e.c.	200.00	201,236.80	2.20%	
Indiabull Housing Finance (series VI A) NCD 8.85% 26/09/2026	INE148107GK5	Activities of specialized institutions granting credit for house purchases	400.00	419,052.40	4.58%	
8.15 % EXIM 05.03.2025	INE514E08EL8	Other monetary intermediation services n.e.c.	1.00	1,005,459.00	10.98%	
8.80% IRFC BOND 03/02/2030	INE053F09GR4	Other financial service activities, except insurance and pension funding activities	1.00	1,072,761.00	11.72%	
9.30% Dewan Housing Finance Ltd 2026 (Secured)	INE202B07HV0	Activities of specialized institutions granting credit for house purchases	400.00	429,546.80	4.69%	
8.20% NABARD 09.03.2028	INE261F08AD8	Monetary intermediation of commercial banks, saving banks. postal savings	1.00	1,023,876.00	11.18%	
8.30% Power Finance Corporation MD 31/03/2021	INE134E07075	Other credit granting	40.00	203,839.80	2.23%	
Total				8,251,485.00	90.13%	

Money Market Instruments:	1000000000000000000000000000000000000		Market Value	% of Portfolio Rating	Rating
- Treasury Bills			NII		
- Money Market Mutual Funds			563,773.01	6.16%	
- Certificate of Deposits / Commercial Papers			Z		
- Application Pending Allotment			IIN		
- Bank Fixed Deposits (< 1 Year)			II.N		
- Cash/ Cash Equivalent & Net Current Assets			62,646.34	0.68%	
- Other Current Assets (Accrued Interest)			323,064.39	3.53%	
Net Current Assets			(45,663.86)	-0.50%	
GRAND TOTAL			9,155,304.88	100.00%	

Average Maturity of Portfolio (in yrs)	8.29
Modified Duration (in yrs)	5.58
field to Maturity (%) (annualised)(at market price	8.03%

Market Value 8,050,248.20 201,236.80		CREDIT RATING EXPOSURE	では は は は は は は は は は は は は は は は は は は	新田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田田	
rities (10 ans 10 ans 10 ans 11 ans 1	Securifies	 1000 1000	では ないのかい かんしゅう かんしゅ かんしゅう かんしゅう かんしゅ かんしゅう かんしゅう かんしゅう かんしゅ かんしゅ かんしゅ かんしゅ かんしゅ かんしゅ かんしゅ かんしゅ	16	% of Portfolio Ra
t Loans t Loans t Loans tal Paper) tal	Central Govt. Securities				
ial Paper) 8,050,248.20 8	State Development Loans				
i.al Paper) 201,236.80 201,236.80	AAA / Equivalent			8,050,248.20	87.93
201,236.80	A1+ (For Commercial Paper)				
	AA+ / Equivalent			201,236.80	2.20
AA-/ Equivalent A+/ Equivalent A/ Equivalent A-/ Equivalent BBB+/ Equivalent BBB / Equivalent	AA / Equivalent				
A+ / Equivalent A / Equivalent A / Equivalent BBB+ / Equivalent BBB / Equivalent BBB / Equivalent	AA- / Equivalent				
A / Equivalent A- / Equivalent BBB+ / Equivalent BBB / Equivalent	A+ / Equivalent				
A- / Equivalent BBB+ / Equivalent BBB / Equivalent	A / Equivalent				
BBB+ / Equivalent BBB / Equivalent	A- / Equivalent				
BBB / Equivalent	BBB+ / Equivalent				
	BBB / Equivalent				

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - C Tier II

Key Statictics for the year ended March 31, 2018

S. No	Particular	As at March 31,2018
1	NAV per Unit (Rs)	7.5 40 17141 (11 51,2016
	Open	10.00
	High	10.64
	Low	9.992
	End	10.647
2	Closing Assets Under Management (Rs in Lakhs)	
	End	91.5
	Average (AAUM)	34.3
3	Gross Income % of AAUM@	7.06
4	Expense Ratio	
	a.Total Expenses as % of AAUM @	0.03
	b.Management fees as a % of AAUM	0.03
5	Net Income as a % of AAUM@	5.93
6	Portfolio turnover ratio	2.4
7	Returns (%) * Compounded Annualised Yield	
	Last 1 Year	
	Last 3 years	
	Last 5 years	
	Since Launch of the Scheme	6.4
	Launch Date	09/05/201
		03/03/201
	@includes unrealised gain or loss	
1	Gross income =amount in the Revenue account i.e income	
	Net income =amount in the revenue account i.e net realised gains/loss for the	year /period
2		
3	Portfolio turnover = Lower of sales or purchase divided by the average AUM for	the year / period.
4	AAUM = Average daily net assets	
5	NAV= (Market value of investments held by scheme + Value of current assets -v	alue of current liability
- 1	and provisions if any)/no of units at the valuation date (hefere are time /	







and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)



2nd Floor, Kapur Fouse, Paranjape B Scheme Road No. 1, Vile Pa e (E), Mumbai 40 (057 T: 91 22 2663 3500 www.mmchitale.com

INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme G Tier I under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of

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material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by e) this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:

Place: Mumbai

Date:

- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- Transaction and claims/fee raised by different entities are in accordance with the b) prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

> (S. M. Chitale) Partner

M No.: 111383

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier I BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		***************************************
Unit Capital	1	71,833,565
Reserve & Surplus	2	3,039,694
Current Liabilities	3	27,422
Total		74,900,681
Assets		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Investment	4	73,662,719
Other Current Assets	5	1,237,962
Total		74,900,681
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		74,873,259
(b) number of units outstanding		7,183,357

Significant accounting policies and notes to accounts

Tered Accou

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale Partner

Membership No. 111383

Place : Mumbai

For and on behalf od NPS Trust

(Chairman, NPS Board)

Place : Mumbai

Date:

2 8 JUN 2018

In M

Sashi Krishnan (CEO) S.C.Bhargava (Director) Life P

Munish Malik

For Aditya Birla Sun Life Pension Management Limited

(Chief Executive officer)

नई दिल्ली

New Delhi

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G- Tier I REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

		Period ended
Particulars	Note	March 31,2018
		₹
Income		
Dividend		=
Interest		10,19,433
Profit on sale/redemption of investments	6	77,456
Unrealised gain on appreciation in investments		20,710
Total Income (A)		11,17,599
Expenses & Losses		
Unrealised losses in value of investments		1,28,882
Management fees (including service tax)		1,767
NPS Trust fees		1,496
Custodian fees		518
Depository and settlement charges		1,287
CRA fees		37,036
Less: Amount recoverable by sale of units on account of CRA Charges		-37,036
Total Expenditure (B)		1,33,950
Surplus/(Deficit) for the period (A-B = C)		9,83,648
Less: Amount transferred to Unrealised appreciation account		-1,08,172
Less: Amount transferred to General Reserve		10,91,820
Amount carried forward to Balance Sheet		
Significant accounting policies and notes to accounts	7 & 8	

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale Partner Partner

Membership No. 111383

Date:

For and on behalf od NPS Trust

ered Acc

(Chairman, NPS Board)

Place: Mumbai

Date:

2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan

(CEO)

S.C.Bhargava (Director)

Munish Malik

(Chjef Executive officer)

नई दिल्ली

New Delhi

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier I

Note 1: Unit capital	As at March 31,2018
Unit Capital	
Outstanding at the beginning of the period	
Add :Units issued during the period	11126120
Less: Units redeemed during the period	11136139
Outstanding at the end of the period	(39,527,82 71,833,56
oustaining at the end of the period	/1,833,56
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the period	
Add :Units issued during the period	11,136,13
Less: Units redeemed during the period	(3,952,78
Outstanding Units at the end of the period	7,183,35
Note 2: Reserves and surplus	As at March 31,2018
Unit premium reserve	
Opening balance	•
Add: Premium on Units issued	3,064,82
Less: Premium on Units redeemed	(1,008,78
Closing balance	2,056,04
General Reserve	
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	1,091,82
Closing balance	1,091,82
Unrealised Appreciation Reserve	and the second s
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	(108,17
Closing balance	(108,17
Total	3,039,69
Note 3: Current liabilities and provisions	As at March 31,2018
	•
Redemption Payable	23,59
Sundry creditors for expenses	
NPS charges payable	1,08
Management fees payable	1,27
Custody charges payable	51
Other payable (CCIL)	94
Total	27,42
Note 4: Investments	As at March 31,2018
0.000 19.000 0.000	
Investment Central Government Securities Investment SDLC	65,375,36
Mutual Fund Units	5,376,36
Total	2,910,99
Total	73,662,71
Note 5: Other current assets	As at March 31,2018
Balances with banks in current account	25,17
Service tax asset	14
Income accrude but not Due	
Interest Accrued Not Due-CGS	4.455.33
Interest Accrued Not Due-CGS	1,165,33
	47,30
Total	1,237,96
	For the period ende
	March 31,2018
Note 6: Realised Gain on Sale/redemption of Investment	Warti 31,2018
	· · · · · · · · · · · · · · · · · · ·
Profit on sale of Mutual fund scheme Units	77,45
Total	77,45

Significant accounting policies and notes to accounts

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants

Place : Mumbai Date :

2 8 JUN 2018

MUMBAI

onered Account

For Aditya Birla Sun Life Pension Manage

(CEO)

pension

Munish Malik (Chief Executive officer)

NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME G TIER I

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt. Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt. Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- Record keeping, Administration and Customer service function for NPS subscriber,
- Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN,
- PRAN Transaction Statement.
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

NPS trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

The financials have been prepared for SCHEME G TIER I being managed by the Company.

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the

Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.

As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis.

(vi) Securities traded at a stock exchange:

- Central Government, State Government securities are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.
- Treasury bills are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.
- Mutual fund units are valued based on the net asset value of the preceding day of the valuation date.

7.4 Income Recognition

- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.
- Accretion of discount relating to Treasury bills is recognised over the holding / maturity period on a straight-line basis.
- Profit or loss on sale of Government securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book cost.
- · Other income of a miscellaneous nature is accounted for as and when realised

7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.9 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due. Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier I NOTE 8 Notes to Accounts

- 8.1 All investments of the scheme are in the name of the NPS trust .
- 8.2 At the end of the financial year, there are no open positions of derivatives in the scheme

8.3 The Schemes investments made in associates and Group companies as on Mar 31, 2018

Security particulars	urity particulars		3.2018
Security particulars	no of shares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

8.4 As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA

8.5 Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

Paralla da	As on 31.03.2018 Amount (in Rs.) % to AAUM	
Particular		
Unrealised Gain	20,710	0.12%
Unrealised Loss	128,882	0.77%
Net Unrealised Loss	108,172	0.65%

8.6 Aggregate value of purchase and sale with percentage to average assets

Particular	As on 31.03.2018
Average Net Asset Value	16,741,772
Purchase of Investment	246,284,378
% to average Net Asset Value	1471%
Sale of Investment	172,590,456
% to average Net Asset Value	1031%

- 8.7 Following are the transaction with Associates & Group companies under the scheme
- a) The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

Darticular	G-Tier I
Particular	31.03.2018
Investment management fees	1,767

b) Balance with Aditya Birla Sun life Pension management Ltd

Particular	G-Tier I
Particular	31.03.2018
Investment Management Fees payable	1,279

8.8 Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium ReserveBased on confirmation from CRA the number of units as at the year end are 71,83,357

8.9 Unit NAV

Particular	As on 31.03.2018
NAV per unit (Rs)	10.4232

- 8.10 The scheme has no contingent liability as at the end financial year.
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

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New Delhi

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Place : Mun

Partner

Membership No. 111

Date :

Vanelle (Chairman , NPS Board)

Place : Mumbai Date:

2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan

(CEO)

S.C.Bhargava

(Director)

nditya B

ENBM n

Munish Malik (Chief Executive officer)

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NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier I G-TIER I March'18

Portfolio Statement for the year ended March 31, 2018
NAME OF PENSION FUND
SCHEME NAME
MONTH

And the state of t	ICIM MO	Indiichry	Quantity	Market Value	% of Portfolio Ratings
Name of the Instrument	TOO OUT TOO OUT	solitization de decommendation la	103.000.00	10,238,200.00	13.67%
7.59% GOI 20.03.2029	INDUZULSUUGS	Cellia government securities	000000		74 070/
8 15% GSFC 24 11 2026	IN0020140060	central government securities	108,000.00	11,134,800.00	
015% 6011411 2024	IN0020110048	central government securities	30,000.00	3,228,549.00	4.31%
5.15% COI 14.11.2024	IN0020030014	central government securities	34,400.00	3,289,238.56	4.39%
0.30% GOI 03.04.2023	1N00200200NI	central government securities	77,000.00	7,993,508.60	10.68%
0.50% CO. 10.03 2020	IN0020150028	central government securities	46,000.00	4,657,500.00	6.22%
7.00% GOI 19.03.2030	IND020160019	central government securities	78,000.00	7,773,885.60	10.38%
7.01.76 GSEC 03:03:2030	INOOCOOCI	central government securities	50,000.00	5,185,410.00	6.93%
6.20% GOVERNIER OF FLOOR SECURITY	IN0020170026	central government securities	26,000.00	5,321,680.00	7.11%
0.79% GSEC (13) WHY (2027)	IN3120150203	State Development Loans	10,500.00	1,098,195.00	1.47%
8.69% I amil Nadu SUL 24.02.2020	INDODUTEDES	central government securities	22,200.00	2,226,660.00	2.97%
7.73% GS MID 19/12/2034	MOOZOTOOT	Contrar Boych and a second sec	5.300.00	504,136.00	0.67%
6.79% GS 26.12.2029	INDOZOTOTO	Cellul government securities	42,300.00	3,821,805.00	5.10%
6.57% GOI 2033 (MD 05/12/2033)	INDUZUIONI	Cellul government secondes	20,000,00		2.69%
8.00% Karnataka SDL 2028 (17-JAN-2028)	IN1920170157	State Development Loans	20,000,02		
8.13 % KERALA SDL 21.03.2028	IN2020170147	State Development Loans	22,300.00	2,260,990.31	3.02%
				70,751,824.07	94.50%

	大きの ないとうしょうしょう		Ol at Dauthalla
Monor Market Inchermanter-	一日の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本	Market Value	o or Portionio
Wolley Walket Histi Wilcins.			,
- Treasury Bills			
Adams Adams Adams Conde		2,910,994.84	3.89%
- INDITE WATER INTERNAL FULLS		Niil	
- Certificate of Deposits / Commercial Papers			
Application Dending Allotment		Nil	
Application Ferming Amornicus		Mil	
- Bank Fixed Deposits (< 1 Year)			
Cach Cartinglant D. Mot Curront Accote		25,178.71	0.03%
- Cash Cash Equivalent & Net Current Assets		23 052 CFC F	1 62%
- Other Current Assets (Accrued Interest)		1,212,030.30	T.02/0
		(27,376.40)	-0.04%
Net Current Assets			
		74,873,259.78	100.00%
GRAND IOIAL			

Average Maturity of Portfolio (in yrs)	10.23
Modified Duration (in yrs)	6.78
Yield to Maturity (%) (annualised)(at market price	7.66%



Birla Sun





NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier I

Key Statictics for the year ended March 31, 2018

S. No	Particular	As at March 31,2018
1	NAV per Unit (Rs)	
	Open	10.0000
	High	10.6009
	Low	10.0000
	End	10.423
2	Closing Assets Under Management (Rs in Lakhs)	
	End	748.73
	Average (AAUM)	167.4
3	Gross Income % of AAUM@	6.689
4	Expense Ratio	
	a.Total Expenses as % of AAUM @	0.039
	b.Management fees as a % of AAUM	0.019
5	Net Income as a % of AAUM@	5.889
6	Portfolio turnover ratio	4.3
7	Returns (%) * Compounded Annualised Yield	
	Last 1 Year	
	Last 3 years	
	Last 5 years	
	Since Launch of the Scheme	4.2
	Launch Date	09/05/2017
	Single description desires and see	

@includes unrealised gain or loss

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
- 5 NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)









2nd Floor, Kapur House, Paranjape B Schame Road No. 1, Vile Parl (E), Mumbai 400 57 T: 91 22 2663 500 www.mmchitale.om

INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme G Tier II under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of



material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 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 Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date:

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- e) In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:

Place: Mumbai

Date: 2 8 JUN 2018

- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

> (S. M. Chitale) Partner

M No.: 111383

55

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier II **BALANCE SHEET AS AT MARCH 31, 2018**

Particulars	Note	As at March 31,2018
Liabilities		
Unit Capital	1	9,274,924
Reserve & Surplus	2	65,720.00
Current Liabilities	3	73,455
Total		9,414,099
Assets		
Investment	4	9,173,904
Other Current Assets	5	240,195
Total		9,414,099
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		9,340,644
(b) number of units outstanding		927,492

Significant accounting policies and notes to accounts

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MUMBAI

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

S. M. Chitale

Partner

Membership No. 111383 Pred Accou

Sashi Krishnan

(CEO)

S.C.Bhargava

(Director)

Place: Mumbai

Date : 2 8 111N

For and on behalf od NPS Trust

two Varely (Chairman, NPS Board)

Place: Mumbai

Date : 2 8 JUN 2018

New Delhi

Munish Malik

упэтэр

For Aditya Birla Sun Life Pension Management Limited

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G- Tier II REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	Period ended March 31,2018 ₹
Income		
Dividend		-
Interest		2,04,074
Profit on sale/redemption of investments	6	16,886
Unrealised gain on appreciation in investments		405
Total Income (A)		2,21,365
Expenses & Losses		
Unrealised losses in value of investments		1,68,762
Loss on sale/redemption of investments		2,262
Management fees (including service tax)		364
NPS Trust fees		308
Custodian fees		108
Depository and settlement charges		823
CRA fees		2,267
Less: Amount recoverable by sale of units on account of CRA Charges		-2,267
Total Expenditure (B)	=	1,72,627
Surplus/(Deficit) for the period (A-B = C)		48,739
Less: Amount transferred to Unrealised appreciation account		-1,68,357
Less: Amount transferred to General Reserve		2,17,096
Amount carried forward to Balance Sheet	_	

Significant accounting policies and notes to accounts

MUMBAI

7 & 8

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Reg. No. 106655W

S. M. Chitale

Partner

Membership No. 111383

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnar

(CEO)

S.C.Bhargava

(Director)

Place: Mumbai

Date: 2 8 JUN 2018

For and on behalf od NPS Trust

Hohm Farely

(Chairman, NPS Board)

Place: Mumbai

Date ; 2 8 JUN 2018



Munish Malik 78 61 18

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G TIEF II

Units Capital Outstanding at the helpforing of the period Outstanding at the helpforing of the period Outstanding at the end of the period Outstanding at the end of the period Outstanding at the end of the period Outstanding units a behapining of the period Outstanding units a behapining of the period Outstanding units a behapining of the period Outstanding units are behapining of the period Outstanding units are behapining of the period Outstanding units are deemed during the period Outstanding units are deemed of the period Outstanding units are deemed units are deemed of the period Outstanding units are deemed units are deemed of the period Outstanding units are deemed	NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G TIEF II NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MAR	NAME AND ADDRESS OF THE OWNER, WHEN PERSON AND PARTY OF THE OWNER,	
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Outstanding units at the beginning of the period Ask Units issued with the period (177.605) (177	Outstanding at the end of the period		
Outstanding units at the beginning of the period Ask Units issued with the period (177.605) (177	(Face Value of Rs 10/- each unit fully paid up)		
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Outstanding Units at the end of the period 227,692 Note 2: Reserves and surplus As at March 31,2018 Unit premium on Units issued 200,244 Add: Premium on Units redemed 219,303 Closing balance 16,931 Add: Transfer from/(to) Revenue Account 17,706 Closing balance 217,096 Cloring balance 221,096 Cloring balance 241,096 Cloring balance 446,114,197 Transfer from/(to) Revenue Account (146,357) Add (148,357) Add (148	Add :Units issued during the period	1,704,900	
Note 2: Reserves and surplus Unit premium reserve Opening bilance Commission on Units issued Less: Fremium on Units redeemed Compring bilance Less: Fremium on Units redeemed Less: Fremium o			
Unit premium reserve Opening balance Active Premium on United issued - 1912-00 - 1912-	Outstanding Units at the end of the period	927,492	
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Lest: Premium on Units redeemed Cooling balance General Reserve Opening balance Cooling balan	Unit premium reserve Opening balance		
Closing balance General Reserve Opening balance Add/Less): Transfer from/(to) Revenue Account Closing balance Add/Less): Transfer from/(to) Revenue Account (166, 357) Closing balance Add/Less): Transfer from/(to) Revenue Account (166, 357) Total Add/Less): Transfer from/(to) Revenue Account (166, 357) Total Redemption Payable Redemption Payable Add/Less): Transfer from/(to) Revenue Account (166, 357) Total Redemption Payable As at March 31, 2018 Redemption Payable 168 Custody charges payable 169 Custody charges payable 169 Custody charges payable 169 Custody charges payable 172, 971 Note 4: Investments 160 Total 77, 453 Note 4: Investments 160 Total 77, 453 Note 4: Investments 160 Total 77, 455 Note 5: Other Current assets As at March 31, 2018 Redemption Payable 168 Description of the March 31, 2018 Investment Stock 168 Selection of the March 31, 2018 Investment Stock 168 Selection of the March 31, 2018 Investment Stock 168 Selection of the March 31, 2018 Investment Stock 168 Selection of the March 31, 2018 Interest Accrued Not Due-GOS Interest	Add: Premium on Units issued	208,284	
General Reserve Opening balance ### Add/(Less): Transfer from/(to) Revenue Account ### Cooling balance ### Unrealized Appreciation Reserve Opening balance ### (Less, 577) Opening balance ### (L			
Opening bilanine Add/Less): Transfer from/(to) Revenue Account Closing bilanine Closing bilanine As at March 31,2018 Redemption Psyable Sundry creditors for expenses Redemption Psyable Redemption Psyable Sundry creditors for expenses Redemption Psyable 108 Total As at March 31,2018 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 109 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 109 Redemption Psyable 108 Total 73,455 Note 4: Investments As at March 31,2018 Redemption Psyable 109 Redemption Psyable 108 Total 73,654 Redemption Psyable 108 Total 73,654 Redemption Psyable 108 Re		16,981	
Add/Less/Transfer from/tol Revenue Account 127.096 Unrealized Appreciation Reserve Opening balance 168.3571 Closing balance 168.3577 Total 179.377 Total 189.377 Total 199.377 Total			
Unrealized Appreciation Reserve Deparing balance (166,357) Cholaring bala	Add/(Less): Transfer from/(to) Revenue Account	217,096	
Opening balance Add/(test): Transfer from/(to) Revenue Account (168,357) Total Note 3: Current liabilities and provisions As at March 31,2018 Note 3: Current liabilities and provisions As at March 31,2018 Redemption Payable Sundry creditors for expenses NY3: charges payable Sundry creditors for expenses NY3: charges payable 108 Custody charges payable 108 Custody charges payable 108 Custody charges payable 108 Total As at March 31,2018 Note 4: Investments As at March 31,2018 Note 4: Investment Central Government Securities Investment Central Government Securities Investment SDLC 159,405 Total As at March 31,2018 Salances with banks in current account 73,604 Note 5: Other current assets As at March 31,2018 Salances with banks in current account 73,604 For the pariod ended March 31,2018 Note 6: Realised Galn on Sale/redemption of Investment For Makund Ru. Chibale & Co. Chartered Accountants From Makund Ru. Chibale & Co. Chartered Accountants From Rep. No. 106550W Chairman, NPS books As at March 31,2018 Salah Krishnan For Aditya Birla Sun Life Pension Management Limited Membership No. 125660 Cicking Rep. 106550W Chairman, NPS books Cicking Rep. No. 106550W Chairman, NPS books Cicking Rep. No. 106550W Chairman, NPS books Cicking Rep. No. 106550W Chairman, NPS books Cicking Executive officer) New Dolhi New	Closing balance	217,096	
Add/Less/ Transfer from/(to) Revenue Account (I68,357) Total (I68,357) Total (I68,357) Total (I68,357) Redemption Payable (I68,357)			
Closing balance Total Mote 3: Current illabilities and provisions As at March 31,2018 Redemption Payable Sundry creditors for expenses NPS-charges payable 168 Management feet payable 108 Custody charges payable 108 Custody charges payable 108 Total 73,455 Note 4: Investments As at March 31,2018 Note 4: Investments As at March 31,2018 Note 5: Other Central Government Securities Note Mutual Fund Units 295,466 Mutual Fund Units 295,466 Mutual Fund Units 295,466 Mutual Fund Units 105 Note 5: Other current assets As at March 31,2018 Balances with banks in current account Parkets as asset 105 Interest Accrued Not Due-COS Interest Accrued Not Due-COS Interest Accrued Not Due-COS Interest Accrued Not Due-SDL 3,555 Total For the pariod ended March 31,2018 Chairman, NPS solve Chairman, NPS		/169 2571	
Note 3: Current liabilities and provisions As at March 31,2018 Redemption Payable 72,971 Sundry creditors for expenses Wirs charges payable 168 Management fees payable 108 Cuttody charges payable 109 Cotal 73,655 Note 4: Investments As at March 31,2018 Investment Central Government Securities Investment SOC 43,35,853 Investment SOC 538,646 Methouli Fund Units 285,405 Fortil Balances with banks in current account 50ctal As at March 31,2018 Redemption of Investment 73,694 Interest Accrued Not Due-Cos Interest Accrued Not Due-Cos Interest Accrued Not Due-Cos Interest Accrued Not Due-Cos Interest Accrued Not Due-Sol Interest Accrued Not Due-Sol Interest Accrued Not Due-Sol Solos For the period ended March 31,2018 For the period ended March 31,2018 Wunish Malik (Chief Executive officer) Revenue Top or and on bank of Mutual Fund scheme Units Colairman, NPS Board Redemption of Investment New Delhi Revenue Top or and on bank of Mutual Fund Scheme Units Colairman, NPS Board Redemption of Investment New Delhi Revenue Top or and on bank of Mutual Fund Scheme Units Colairman, NPS Board Redemption of Investment New Delhi Revenue Top or and on bank of Mutual Fund Scheme Units Colairman, NPS Board Redemption of Investment New Delhi Revenue Top or and on bank of Mutual Fund Scheme (Cited Executive officer)	Closing balance		
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Sundry creditors for expenses NPS charges payable Management fies payable 198 Monagement fies payable 108 Other Receivable 107 Total Note 4: investments As at March 31,2018 Investment Central Government Securities Revestment SDLC 558,646 Matual Fund Units 295,405 Total Note 5: Other current assets As at March 31,2018 Balances with banks in current account Foreign tax asset 105 Interest Accrued Not Due-GoS Interest Accrued Not Due-GoS Interest Accrued Not Due-GoS Interest Accrued Not Due-SDL 3,555 Total Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukual M. Chitale & Co. Thereted Accountants For Mukual M. Chitale & Co. For Aditya Birla Sun Life Pension Management Limited March 31,2018 Section 108 South 108			
Management fees payable Cutothy charges payable Differ Receivable Total Note 4: investments Note 4: investment Securities Note 5: Other current Government Securities Note 5: Other current sects Note 5: Other current assets As at March 31,2018 Note 5: Other current assets As at March 31,2018 Balances with banks in current account Profit can asset 105 Interest Accrued Not Due-GoS Interest Accrued Not Due-GoS Interest Accrued Not Due-GoS Interest Accrued Not Due-SoL Note 6: Realised Gain on Sale/redemption of Investment Profit on sale of Mutual fund scheme Units Total For Mutual fund with Section of Investment For Aditya Birla Sun Life Pension Management Limited As per our report of even date For Mukund M. Chilala & C. Dinatured Accountants For Aditya Birla Sun Life Pension Management Limited As per our report of even date For Mukund M. Chilala & C. Dinatured Accountants For Aditya Birla Sun Life Pension Management Limited Cition of Pension Managemen	Redemption Payable Sundry creditors for expenses	72,971	
Custody charges payable Other Receivable Total T			
Other Receivable Total Total As at March 31,2018 Note 4: Investments As at March 31,2018 Investment SDLC S58,646 Mutual Fund Units Total Note 5: Other current assets As at March 31,2018 Balances with banks in current account Service tax asset Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL Total Total For the period ended March 31,2018 As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants For Aditya Birla Sun Life Pension Management Limited Murish Malik (Chief Executive officer) New Delhi New D			
Note 4: Investments As at March 31,2018 Investment Central Government Securities Resident SUC State State of State of Mutual Fund Units Profit on sale of Mutual fund scheme Units Total Note 6: Realised Gain on Sale/redemption of Investment Profit on sale of Mutual fund scheme Units Total As at March 31,2018 For the period ended March 31,2018			
Investment Central Government Securities ### S58,646 ### Mutual Fund Units ### S58,646 #	Total	The second secon	
Investment Central Government Securities ### Security of Provided	Note 4: Investments		
Mutual Fund Units 295,405 9,173,904 Note 5: Other current assets As at March 31,2018 Balances with banks in current account Service tax asset Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL 3,555 Total For the period ended March 31,2018 Note 6: Realised Gain on Sale/redemption of Investment For Mukund M. Chitale & Co. Chartered Accountants Firm Res. No. 106655W S. M. Chitale For and on behilf of MPS Trust Munish Malik (Chief Executive officer) As at March 31,2018 Munish Malik (Chief Executive officer)	Investment Central Government Securities		
Note 5: Other current assets As at March 31,2018 Balances with banks in current account Service tax asset 105 Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL Total For the period ended March 31,2018 For Aditya Birla Sun Life Pension Management Limited Chairman A. Défision Chairman A. Défision Chairman A. Défision Mumbal Date : Mumbal Date : New Delhi New Delhi New Delhi Sashi Krishnan (CEO) Chairman A. NPS Board Chairman A.	Investment SDLC		
Balances with banks in current account Service tax asset Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-SDI Interest Accrued No	Total	The second secon	
Service tax asset Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL Total Note 6: Realised Gain on Sale/redemption of investment For the period ended March 31,2018 For Aditya Birla Sun Life Pension Management Limited Chartered Accountants For Aditya Birla Sun Life Pension Management Limited Chartered Accountants For Aditya Birla Sun Life Pension Management Limited Chartered Accountants For Aditya Birla Sun Life Pension Management Limited Chartered Accountants For Aditya Birla Sun Life Pension Management Limited Chartered Accountants For and on behalf of NPS Trust Munish Malik (Chief Executive officer)	Note 5: Other current assets	As at March 31,2018	
Service tax asset Income accrude but not Due Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL	Balances with banks in current account	73.694	
Interest Accrued Not Due-CGS Interest Accrued Not Due-SDL Total Total Total For the period ended March 31,2018 For Aditya Birla Sun Life Pension Management Limited Chartered Accountants Firm Reg. No. 106655W Sashi Krishnan (CEO) Chairman, NPS Board Date: Wumbal Date: (Chief Executive officer)	Service tax asset		
Interest Accrued Not Due-SDL 3,555 240,195 For the period ended March 31,2018 For the period ended March 31,2018 For the period ended March 31,2018 For Aditya Birla Sun Life Pension Management Limited Chairman, No. 121382 Sashi Krishnan (CEO) Sashi Krishnan (CEO) Sashi Krishnan (CEO) Sashi Krishnan (CEO) S.C.Bhargava (Director) Munish Malik (Chief Executive officer)	Income accrude but not Due		
Note 6: Realised Gain on Sale/redemption of Investment For the period ended March 31,2018 16,886 Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W Sashi Krishnan (CEO) Sashi Krishnan (CEO) Sashi Krishnan (CEO) Mumbal Satter: Wumbal Satter: Chairman , NPS Board (CEO) New Delhi			
Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W Sashi Krishnan (CEO) Chartered Mumba Date: Munish Malik (Chief Executive officer) Total For the period ended March 31,2018 16,886 1			
Profit on sale of Mutual fund scheme Units Total As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 105655W Sashi Krishnan (CEO) Chartered Mumbal Date: For aditya Birla Sun Life Pension Management Limited Chairman, NPS Board Chairman, NP	,	240,195	
Profit on sale of Mutual fund scheme Units 16,886 16			21
As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 105655W Sashi Krishnan (CEO) Sashi Krishnan (CEO) Mumbal Chairman, NPS Board Place: Mumbal Date: The Reg. No. 105655W Munish Malik (Chief Executive officer)	Note 6: Realised Gain on Sale/redemption of investment	March 31,2018	
As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W Sashi Krishnan (CEO) Sashi Krishnan (Director) Place: Mumbai Date: Other Mumbai Date: New Delhi A CHITAL Chief Executive officer)	Profit on sale of Mutual fund scheme Units	16,886	
For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W S. M. Chitale Partner Membership No. 127 5032 Place: Mumbai Date: For and on behalf of NPS Trust Chairman, NPS Board Chair	Total	16,886	
Chartered Accountants Firm Reg. No. 106655W Sashi Krishnan (CEO) Place: Mumbai Date: For and on behalf of MPS Trust Chairman, NPS Board Place: Mumbai Date: The Reg. No. 106655W Munish Malik (Chief Executive officer)	As per our report of even date		
Sashi Krishnan (CEO) Sashi Krishnan (CEO) Sashi Krishnan (Director) Sashi Krishnan (Director) Sashi Krishnan (Director) Sashi Krishnan (Director) Membership No. 121389 Munish Malik (Chief Executive officer) A Munish Malik Chairman, NPS Board Date: The Recent New Delhi A New Del		sion Management Limited	Eun /
Sashi Krishnan (CEO) Sashi Krishnan (CEO) Sashi Krishnan (Director) Sashi Krishnan (Director) Sashi Krishnan (Director) Sashi Krishnan (Director) Membership No. 121389 Munish Malik (Chief Executive officer) A Munish Malik Chairman, NPS Board Date: The Recent New Delhi A New Del		-	Ala Suil Life
Partner Membership No. 12/582 Place: Mumbal Date: For and on behalf of NPS Trust Munish Malik (Chief Executive officer) Place: Mumbai Date: 1	CILLIA - 04/51	\ \.\.	181
Partner Membership No. 12/582 Place: Mumbal Date: For and on behalf of NPS Trust Munish Malik (Chief Executive officer) Place: Mumbai Date: 1	Chulate Ears.	LOW	13/ 3.
Place: Mumbai Date: Chairman, NPS Board Place: Mumbai Date: Tip Geroff New Delhi # New Delhi			- (g)
Place: Mumbal Date: For and on behalf of NPS Trust Chairman, NPS Board Place: Mumbal Date: 7	Membership No. 12 688 M. CHITALE (CEO)	(Director)	12/
Date: Or and on behalf of NPS Trust Munish Malik (Chief Executive officer) Place: Mumbai Date: 1	700	\/\	100
Chairman, NPS Board Chairman, NPS Board Chairman, NPS Board Chairman, NPS Board New Delhi * New Delhi *	Place : Mumbail	14/col 416	A J JUNEAU LE
Chairman , NPS Board (Chief Executive officer) Place : Mumbai Date : 2 9 10 10 20 20 10 10 10 10 10 10 10 10 10 10 10 10 10		244-111	
Place: Mumbal Date: 2 9 13 13 20 20 ** Rew Delhi **	Date : MUMBA)		
Place: Mumbal Date: 2 9 13 13 20 20 ** Rew Delhi **	Date: MUMBA):	unish Malik	
2 9 JUN 2019 Figure Rew Delhi	Date: MIMBA For and on behalf of NPS Trust MIMBA		
2 9 JUN 2019 # Rew Delhi	Date: Or and on behalf of NPS Trust MI Chairman , NPS Board Greed Ac Green Gr		
2 9 JUN 2019 New Delhi) #	Date : MINBA For and on behalf of NPS Trust MI Chairman , NPS Board Che : Mumbai		
LE /	Date: MINBA Morand on behalf of NPS Trust Minbard on MPS Board (Chiefleace: Mumbai Date:		
Pension System	Date: Or and on behalf of NPS Trust Minchairman, NPS Board Applicae: Mumbai Date:		
Pension System	Date: Or and on behalf of NPS Trust Minchairman, NPS Board Chairman, NPS Board Applicae: Mumbai Date:		
ension Syste	Date: Or and on behalf of NPS Trust Minchairman, NPS Board Applicae: Mumbai Date:		
	Date: For and on behalf oil NPS Trust MI Chairman , NPS Board Place: Mumbai Date: 1		

NPS TRUSTADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME G TIER II

Note 7

Significant accounting policies & notes to Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- Record keeping, Administration and Customer service function for NPS subscriber,
- Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN.
- PRAN Transaction Statement,
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

NPS trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

The financials have been prepared for SCHEME G TIER II being managed by the Company.

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the

Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.

As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis.

(vi) Securities traded at a stock exchange:

- Central Government, State Government securities are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.
- Treasury bills are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.
- Mutual fund units are valued based on the net asset value of the preceding day of the valuation date.

(vii) The Valuation policy of the scheme as advised by SHCIL, is at variance with PFRDA guidelines. The details of the variation are as under.

PFRDA Guidelines	Valuation Policy
1. Securities traded at a stock exchange: Debt securities (other than government Securities) are valued at the last quoted closing price on the Principal exchange on which the security is traded.	Debt Security (other than government securities) are valued at the NSE weighted average traded price on that day.
2. Securities not traded at stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation date, the value at which was traded on any other stock exchange on the earliest	 a. With residual maturity over 60 days are values on a yield to maturity basis, based on average of spreads provided by CRISIL and ICRA. b. With residual maturity upto 60 days are valued at last traded price plus difference between the redemption value and last traded price, spread uniformly over maturity period of the instrument.



Government securities are valued at average price provided by SHCIL (CRISIL and ICRA).

7.5 Income Recognition

- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.
- Accretion of discount relating to Treasury bills is recognised over the holding / maturity period on a straight-line basis.
- Profit or loss on sale of Government securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book cost.
- · Other income of a miscellaneous nature is accounted for as and when realised

7.6 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.7 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October

7.9 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.10Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross

7.11Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due. Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

7.12Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have

7.13 Income Taxes

No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.



7.14 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.



NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II **NOTE 8 Notes to Accounts**

- All investments of the scheme are in the name of the NPS trust .
- At the end of the financial year, there are no open positions of derivatives in the scheme

The Schemes investments made in associates and Group companies as on Mar 31, 2018

Cogurity particulars		As on 31.0	3.2018
Security particulars	no of shares/bonds	Cost	Market Value
Nil	Nil	Nil	Nil

As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA

Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

Particular	As on 31.03.2	2018
Particular	Amount (in Rs.)	% to AAUM
Unrealised Gain	405	0.01%
Unrealised Loss	168,762	4.92%
Net Unrealised Loss	168,357	4.91%

Aggregate value of purchase and sale with percentage to average assets

Particular	As on 31.03.2018
Average Net Asset Value	3,431,132
Purchase of Investment	38,974,260
% to average Net Asset Value	1136%
Sale of Investment	29,646,401
% to average Net Asset Value	864%

- Following are the transaction with Associates & Group companies under the scheme
- The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

Darbindar	G-Tier I
Particular	31.03.2018
Investment management fees	364

Balance with Aditya Birla Sun life Pension management Ltd

Particular	G-Tier I
Particular	31.03.2018
Investment Management Fees payable	198

Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve Based on confirmation from CRA the number of units as at the year end are 9,27,492

Unit NAV 8.9

o one way	
Particular	As on 31.03.2018
NAV per unit (Rs)	10.071

- 8.10 The scheme has no contingent liability as at the end financial year.
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

ision Syste

As per our report of even date For Mukund M. Chitale & Co. For Aditya Birla Sun Life Pension Management Limited Chartered Accountants Sun L Firm Reg. No. 106655W Sashi Krishnan S.C.Bhargava S. M. Chitale (Director) Partner CHIT (CEO) Membership No Sment Lio Place: Murr Date: Od NPS Trust For and on be Munish Malik Dieved Accoun (Chief Executive officer) Place : Mumbai वैशन हि 2 8 JUN 2018 नई दिल्ली New Delhi

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Portfolio Statement for the year ended March 31, 2018

NAME OF PENSION FUND SCHEME NAME MONTH

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier II G-TIER II March'18

					The state of the s	
	ICIN NO	Industry	Quantity	Market Value	20 OF POLITION NATINGS	
Name of the instrument	DIN NO.	The same of the sa	00000	00 000 307	7 34%	
7 00% COI 10 03 2030	IN0020150028	central government securities	4,000.00	402,000,00	200	T
7,00% GUI 13,03,4030	20001200141	State Davelorment Loans	3,500.00	366,065.00	3.92%	
8.69% Tamil Nadu SDL 24.02.2026	INSTRUTOROS	State Development coans	200000	ON 021 157	7 86%	
0 30% GOI 15 N2 2032	IN0020060086	central government securities	/,000.00	134,403,40	2000	T
000000000000000000000000000000000000000	7110710COCINI	State Develonment Loans	1,900.00	192,640.43	2.06%	
8.13 % KERALA SDL 21.03.2028	INCOCOTO TA		7 000 00	721 700 00	7.73%	
8.15% GSEC 24.11.2026	IN0020140060	central government securities	00.000,7	00:00:1737	7014 4 4	
	DACCOCCOCIAL	central government securities	13,000.00	1,349,553.40	14.45%	
8.28% GOI 21.09.2027	INCOZOO/OCO		00 001 07	1 245 490 20	14 40%	
7 549/ 0550 00 05 3030	IN0020160019	central government securities	13,500.00	1,343,460.40	2001.14	T
7.61% GDEC 09.03.2030	1		12 000 00	1 140 360.00	12.21%	_
C 70% GSEC (15/MAV/2017)	IN0020170026	central government securities	12,000.00	00000001414		
0.73/8 03LC (13/10/21) 2021) 2021	1100001100011	ocitiva con transfer of the contract of the co	9.400.00	942,820.00	10.09%	
7.73% GS MD 19/12/2034	TCOOCTOZOONI	Central government securities	00 000	4 600 510 00	17 00%	
(SECOND OF 11) (10) (10) (10) (10) (10)	IN0020160100	central government securities	18,600.00	1,680,310.00	0/66.11	I
6.57% GOI 2033 (IMD 03/12/2033)	000000000000000000000000000000000000000					_
				6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	VOLC LO	
				8,878,598.43	33.03%	
Total						

	Market Value		20 PULLOND MAN
Money Market Instruments:-	IN.		1
- Treasury Bills		295 405 30	3.16%
- Money Market Mutual Funds		000000000000000000000000000000000000000	
Commercial Dances			
- Certificate of Deposits / Commercial rapers			
- Application Pending Allotment	11.4		
- Bank Fixed Deposits (< 1 Year)		73 693 88	0.79%
Carly Carly Court		20:00:0	
- Cash Equivalent		166,396.04	1.78%
- Other Current Assets (Accrued Interest)		100 000 000	7007.0
1 4 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		(13,449.42)	0.1.0.
Net Current Assets			
		0 240 644 32	100 00%
ATOT CIANCO		3,340,046,6	200:007

Maturity of Portfolio (in vrs)	12.14
led Duration (in vrs)	7.57
o Maturity (%) (annualised)(at market price)	7.67%

ement Lig







NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - G Tier II

Key Statictics for the year ended March 31, 2018

S. No	Particular	As at March 31,2018
1	NAV per Unit (Rs)	51,2018
	Open	10.000
	High	10.310
	Low	9.745
	End	10.071
2	Closing Assets Under Management (Rs in Lakhs)	
	End	93.4
	Average (AAUM)	34.3
3	Gross Income % of AAUM@	6.45
4	Expense Ratio	
	a.Total Expenses as % of AAUM @	0.05
	b.Management fees as a % of AAUM	0.01
5	Net Income as a % of AAUM@	1.42
6	Portfolio turnover ratio	0.0
7	Returns (%) * Compounded Annualised Yield	
	Last 1 Year	
	Last 3 years	
	Last 5 years	
	Since Launch of the Scheme	0.7
	Launch Date	09/05/201

@includes unrealised gain or loss

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
- 5 NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)









2nd Floor, Kapur House Paranjape B Scheme Road No. 1, Vile Parle (E) Mumbai 40005 T: 91 22 2663 350 www.mmchitale.com

INDEPENDENT AUDITORS' REPORT

To, The Trustees, National Pension System Trust

Report on Financial Statements

We have audited the accompanying financial statements of NPS Trust – Aditya Birla Sun Life Pension Management Limited - Scheme A Tier I under the National Pension System Trust (NPS Trust) managed by Aditya Birla Sun Life Pension Management Limited which comprise of the Balance Sheet as at March 31, 2018, the Revenue Account for the period then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the PFM, in accordance with the Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended), Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements are also approved by the NPS Trust on the recommendation of the Board of Directors of the Aditya Birla Sun Life Pension Management Limited.

Auditor's Responsibility

- Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant



to the PFM's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012 and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2018;
- (b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, as amended, we report that:
- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme.
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books.



- d) In our opinion, all transactions expenses in excess of the limits contractually agreed to / approved by the PFRDA are borne by the PFM (if any) and are not charged to the NAV of the Scheme.
- e) In our opinion the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), 2014 to the extent made applicable by PFRDA (Pension Fund) Regulations, 2015 (as amended)
- 8 We further certify that:
- a) Investments have been valued by Stock Holding Corporation of India Ltd (SHCIL) in accordance with the guidelines issued by PFRDA and Aditya Birla Sun Life Pension Management Limited has placed reliance on the valuation prices as provided by SHCIL as explained in Note 7.3 of the Financial Statements.
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg. No. 106655W

Place: Mumbai

Date: 2 8 JUN 2018

(S. M. Chitale)
Partner

M No.: 111383

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - A Tier I BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31,2018
Liabilities		
Unit Capital	1	1,081,211
Reserve & Surplus	2	63,378
Current Liabilities	3	2,628
Total		1,147,217
<u>Assets</u>		
Investment	4	1,143,327
Other Current Assets	5	3,890
Total		1,147,217
(a) Net asset as per Balance Sheet (Schedule 4+5-3)		1,144,589
(b) number of units outstanding		108,121

Significant accounting policies and notes to accounts

MUMBAI

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants Firm Reg. No. 106655W

Ghitale

S. M. Chitale

Partner

Membership No. 11138

Place: Mumbai

2.8 JUN 20,

For and on behalf od NPS Trust

Hshum Javeka (Chairman, NPS Board)

Place : Mumbai

Date:

2 8 JUN 2018

For Aditya Birla Sun Life Pension Management Limited

Sashi Krishnan

(CEO)

S.C.Bhargava

Wanage,

(Director)

Munish Malik

(Chief Executive officer)

New Delh

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - A Tier I REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	Period ended March 31,2018 ₹
Income		
Dividend		-
nterest		
Profit on sale/redemption of investments	6	7,362
Profit on sale of inter-scheme transfer/ Sale of investments		-
Unrealised gain on appreciation in investments		7,828
Other income		-
Total Income (A)		15,190
Expenses & Losses		
Management fees (including service tax)		25
NPS Trust fees		21
CRA fees		717
Less: Amount recoverable by sale of units on account of CRA Charges		-717
Total Expenditure (B)		46
Surplus/(Deficit) for the year (A-B = C)		15,143
Less: Amount transferred to Unrealised appreciation account		7,828
Less: Amount transferred to General Reserve		7,316
Amount carried forward to Balance Sheet		-
Significant accounting policies and notes to accounts	7 &8	

For Mukund M. Chitale & Co.

MUMBAI

For Aditya Birla Sun Life Pension Management Limited

Chartered Accountants Firm Reg. No. 106655W

S M Chitala

S. M. Chitale Partner

Place : Mumba

Sashi Krishnan (CEO) S.C.Bhargava (Director)

For and on behalf od NPS Trust

Pouleus

(Chairman, NPS Board)

Place : Mumbai

Date':

28 JUN 23



Munish Malik

(Chief Executive officer)

NATIONAL PENSION SYSTEM TRUST NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - A TIEL! NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31 201

Note 1: Unit capital	As at March 31,2018
Unit Capital	
Outstanding at the beginning of the period	
Add :Units issued during the period	1,552,375
Less: Units redeemed during the period	(471,164)
Outstanding at the end of the period	1,081,211
70 - 100 Maria (1900 - 1900 -	ajoo ajona
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the period	2
Add :Units issued during the period	155,237
Less: Units redeemed during the period	(47,116)
Outstanding Units at the end of the period	108,121
Note 2: Reserves and surplus	As at March 31,2018
Reserves and surplus	*
Unit premium reserve	
Opening balance	5
Add: Premium on Units issued	70.424
Less: Premium on Units redeemed	70,424
Closing balance	(22,189)
	48,235
General Reserve	
Opening balance	
Add/(Less): Transfer from/(to) Revenue Account	7,316
Closing balance	7,316
Unrealised Appreciation Reserve	1000000
Opening balance	20
Add/(Less): Transfer from/(to) Revenue Account	7,828
Closing balance	7,828
and electronic control (1975)	7,020
Total	63,378
Note 2. Current Habiliate and marking	
Note 3: Current liabilities and provisions	As at March 31,2018
Sundry creditors for expenses	
Redemption Payable	2,589
NPS charges payable	18
Management fees payable	21
Total	2,628
Note 4: Investments	As at March 31,2018
nvestment Central Government Securities	
Equity shares	
Debentures and Bonds Listes/Awaited Listed"	-
nvestment SDLC	*
Nutual Fund Units	**************************************
	1,143,327
fotal	1,143,327
Note 5: Other current assets	As at March 31,2018
Balances with banks in current account	3,890
Total	3,890
Note 6: Realised Gain on Sale/redemption of investment	For the period ended
	March 31,2018
Profit on sale of Mutual fund scheme Units	7,362
Fotal	7,362
as per our report of even date	
For Mukund M. Chitale & Co. For Aditya Birla Sun Life Pension Management Li	mited
thartered Accountants	- (\\
irm Reg. No. 106655W	1 V
01:1-1	A a a h
Shilale as Lite	1 July
. M. Chitale	S.C.Bhargava
artner (CEO)	(Director)
Membership No. 111887 M. O. T. T. A.	•
182	
Place : Mumbai	
Date: 1/3(7 /
(SC MUMBAL)	20 60 60
or and on behalf of NPS Trust	8 / a /
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NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME A TIER I

Note 7

Significant accounting policies & notes to the Financial Statements

7.1 Background

Aditya Birla Sun Life Pension Management Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS').

Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds.

As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd and Karvy Computershare Pvt..Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

Some of the key responsibilities of the CRA include the following:

- · Record keeping, Administration and Customer service function for NPS subscriber,
- Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
- Maintaining database of all PRANs issued and recording transactions relating to each subscribers PRAN,
- PRAN Transaction Statement,
- An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trust Bank etc.

CRA is responsible to resolve all queries pertaining to investors. CRA informs about the fund flow to Pension Fund Managers (PFM) and also instruct Axis Bank to credit PFM's pool account maintained with them.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

Gred Accol

NPS trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlements of trades.

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA.

The Trustee Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

7.2 Basis of preparation of Financial Statements

The financial statements have been prepared to comply, in all material respects, with the generally accepted accounting principles in India. These financial statements have been prepared under the historical cost convention (as modified for investments, which are marked to market) on an accrual basis, except as otherwise stated. The significant accounting policies are in accordance with the accounting policies generally accepted in India.

The Financial Statements of the scheme have been prepared in accordance with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012

7.3 Investments

- (i) The investments are undertaken as per the guidelines specified in the Investment Management agreement with respect to the individual schemes.
- (ii) Purchase and sale of investments are recorded as on the trade date at cost and sale price respectively.
- (iii) Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- (iv) The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

(v) Valuation of Investments

The scheme marks all investments to market and carries investments in the Balance Sheet at the market value as on Balance Sheet date / date of determination / date of valuation.

The change in unrealised appreciation/depreciation in the value of investments is determined separately for each assets category at the year-end and is recognised in the Revenue Account. The change in net unrealised appreciation, if any, is transferred to /from "Unrealised Appreciation Reserve" shown as part of Reserves and Surplus.



As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) and provided to ABSLPML on daily basis.

(vi) Securities traded at a stock exchange:

- Equity traded on valuation day (Actively Traded equity): Where a security is traded on any stock exchange on a particular valuation day, the last quoted closing price at which it was traded on the selected stock exchange, as the case may be, may be used (Closing prices from BSE/NSE for the day).
- Equity not traded on valuation day (Thinly traded equity): When a security is not traded
 on any stock exchange on a particular valuation day, the last quoted closing price at
 which it was traded on the selected stock exchange, as the case may be, on the earliest
 previous day may be used provided such date is not more than thirty days prior to
 valuation date.
- Mutual fund units are valued based on the net asset values of the preceding day of the valuation date.

(vii) Debt Securities other than Government Securities

- Debt securities other than Government securities with a residual maturity over 60 days
 are valued at weighted average traded price on that day. When such securities are not
 traded on a particular day, they are valued on a yield to maturity basis, by using spreads
 over risk free benchmark yield obtained from agencies entrusted for the said purpose, by
 association of mutual fund in India (AMFI) to arrive at the yield for pricing the security.
- Debt securities other than Government securities with a residual maturity upto 60 days are valued at weighted average traded price on that day. When such securities are not traded on a particular day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument. In case of floating rate securities with floors and caps on coupon rate and residual maturity of upto 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

(viii) Valuation of securities having call and/or Put options:

- Callable Bonds with single / daily / multiple call options will be valued at lowest value basis.
- Puttable Bonds with single / daily / multiple call options will be valued at highest value basis.
- The securities with both Call & Put options on the same day would be deemed to mature on the Call/Put day and will be valued accordingly.

For perpetual bonds with single / daily / multiple call options, the price for all options
dates till the maturity date will be computed and the lowest price will be used for valuing
the bonds.

(ix) Valuation of Partly Paid up Bonds

Partly paid bonds will be valued on the paid up value of the bonds till it is fully paid.

(x) Valuation of debt securities below Investment grade of BBB-

Valuation of performing non-government debt securities below Investment grade of BBB-at a discount of 25% to face value (as per SEBI guideline CIR MFD/CIR/8/92/2000 dated September 18,2000)

(xi) Valuation of Money Market Investment and Mutual Fund

Money market instruments like treasury bills, commercial paper, and certificate of deposit are valued at amortised cost. If they are traded, then they are valued at the last traded price on NSE.

Mutual fund units are valued based on the net asset value of the preceding day of the valuation date

7.4 Income Recognition

- Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date up to the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date up to the date of sale credited to Interest Recoverable Account and not included in sale value.
- Dividend is accounted on accrual basis and recognised on the date the share is quoted on ex-dividend basis.
- Accretion of discount and amortisation of premium relating to debt securities like Zero Coupon Bond and Money Market Investment are recognised over the holding / maturity period on a straight-line basis.
- Profit or loss on sale of debt securities is the difference between the sale consideration net of expenses and the weighted average amortised cost as on the date of sale.
- Profit or loss on sale of equity is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.
- Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.
- Other income of a miscellaneous nature is accounted for as and when realised.



7.5 Units reconciliation

The subscribers' units as per Investment management system are reconciled with Central Recordkeeping Agency (CRA) records on daily basis.

7.6 Investment management fees

Investment management fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from May 05, 2017, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from May 05, 2017 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

7.8 Other Expenses

Custody charges are recognised on daily accrual basis in accordance with IMA. Trustee bank charges, if any, are recognised when they are debited by the trustee bank on a quarterly basis.

7.9 Computation of Net Asset Value

The NAV of the Scheme is computed by dividing Net Assets by number of units under the Scheme. Net assets are derived by deducting Gross Liabilities, Investment Management Fees and Custodian Charges (on the day when the charges are recorded) as per IMA from Gross Assets.

7.10 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.



7.11 Provision for Non performing assets

As per the PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, Provision is charged to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Authority Guidelines issued from time to time.
- b) Securities where the certificates, if any, are not traceable for a protracted period.
- c) Assets other than investments, which in the opinion of the Board Of Directors of PF have suffered substantial impairment in their value.

7.12 Income Taxes

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No provision for income tax has been made since the income of the Schemes is exempt under Section 10(44) of the Income Tax Act, 1961.

7.13 Unit Premium Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the Unit Premium Reserve of the Scheme.

NSION SYSTEM TRUST 5 TRUST A/C

MANAGEMENT LIMITED - SCHEME A TIER I

NOTE 8 Notes to Accounts

- 8.1 All investments of the scheme are in the name of the NPS trust .
- 8.2 At the end of the financial year , there are no open positions of derivatives in the scheme
- The Schemes investments made in associates and Group companies as on Mar 31, 2018

		As on 31.03.2018	
Security particulars	no of shares/bonds	Cost	Market Value
Nii	Nil	Nil	Nil

- 8.4 As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA
- 8.5 Aggregate Unrealized Gain/Loss as at the end of the Financial year and percentage to net assets.

Particular	As on 31.03.2018		
Particular	Amount (in Rs.)	% to AAUM	
Unrealised Gain	7828	3.30%	
Unrealised Loss	0		
Net Unrealised Gain/Loss	7828	3.30%	

8.6 The Schemes Aggregate Value of Purchase and sale percentage to average assets are set out below

Particular	As on 31.03.2018
Average assets	237023
Purchase of Investment	1881850
% to average Net Asset Value	794%
Sale of Investment	753712
% to average Net Asset Value	318%

- Following are the transaction with Associates & Group companies under the scheme
- The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2018

	A-TIER I
Particular	Amount (in Rs.)
Investment management fees	25

Balance with Aditya Birla Sun life Pension management Ltd

Particular	A-TIER I	
Particular	Amount (in Rs.)	
Investment Management Fees payable	21	

Unit Capital

Units are created and redeemed based on the intimation provided by Central Record keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve Based on confirmation from CRA the number of units as at the year end are 1,08,121

Unit NAV

Particular	As on 31.03.2018
NAV per unit (Rs)	10.5862

- 8.10 The scheme has no contingent liability as at the end financial year.
- 8.11 This being the first year of operations for the scheme, comparative figures for previous year are not given

As per our report of even date For Mukund M. Chitale & Co. Chartered Accountants

For Aditya Birla Sun Life Pension Management Limited

Firm Reg. No. 106655W

S. M. Chitale

Sashi Krishnan (CEO)

S.C.Bhargava (Director)

a Sun /

Ansms/

Partner

Membership

CHITAL HIN

Date

Munish Malik Total Account (Chairman , NPS Board)

Place : Mumbai Date:

2 B JUN 2018

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नई दिल्ली New Delhi

NAME OF PENSION FUND

SCHEME NAME MONTH

NPS TRUST A/C-ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - A Tier I A-TIER I Mar-18

Name of the Instrument	ISIN No.	Industry	Quantity	Quantity Market Value	% of Portfolio Ratings	Ratings
Total				1	1	
Money Market Instruments:-				Market Value	% of Portfolio Ratings	Ratings
- Treasury Bills				Nil	î	
- Money Market Mutual Funds				1,143,327.67	%68.66	
- Certificate of Deposits / Commercial Papers				Nil	1	
- Application Pending Allotment				Nil	1	
- Bank Fixed Deposits (< 1 Year)				Nil	1	
- Cash/ Cash Equivalent & Net Current Assets				3,888.91	0.34%	
- Other Current Assets				(2,627.97)	-0.23%	
GRAND TOTAL				1,144,588.61	100.00%	







NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C -ADITYA BIRLA SUN LIFE PENSION FUND SCHEME - A Tier I

Key Statictics for the year ended March 31, 2018

No	Particular As at March	n 31,2018
1 NAV per Unit (Rs)		- Avenue -
Open		10.000
High		10.586
Low		10.000
End		10.586
2 Closing Assets Under Management (Rs in	in Lakhs)	
End		11.
Average (AAUM)		2.
3 Gross Income % of AAUM @		6.41
4 Expense Ratio		
a.Total Expenses as % of AAUM @		0.02
b.Management fees as a % of AAUM		0.01
5 Net Income as a % of AAUM@		6.39
6 Portfolio turnover ratio		-
7 Returns (%) * Compounded Annualised Y	Yield	
Last 1 Year		
Last 3 years		
Last 5 years		
Since Launch of the Scheme		5.86
Launch Date		15/05/203

@includes unrealised gain or loss

- 1 Gross income =amount in the Revenue account i.e income
- 2 Net income =amount in the revenue account i.e net realised gains/loss for the year /period
- 3 Portfolio turnover = Lower of sales or purchase divided by the average AUM for the year / period.
- 4 AAUM = Average daily net assets
- 5 NAV= (Market value of investments held by scheme + Value of current assets -value of current liability and provisions, if any)/no. of units at the valuation date (before creation / redemption of units)







M. P. Chitale & Co.

Chartered Accountants

1/11, Prabhadevi Ind. Estate, 1st Flr., Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 25 • Tel.: 43474301-03 • Fax : 43474 04

To

The Board of Directors

Aditya Birla Sun Life Pension Management Ltd.,

One India Bulls Centre,

Tower – 1, 16th Floor,

Jupiter Mill Compound,

841, S.B. Marg, Elphinstone Road,

Mumbai - 400 013.

We have reviewed the report on proxy voting for the quarter ending December 2017 and March 2018 and the proxy voting disclosure uploaded on the company's website with the memorandum of discussions of the meetings of the proxy voting committee, approval mails of the CIO & CEO of the company and the collective decision of the other pension funds.

We hereby certify that the Company has complied with the procedure for exercise of voting rights and submission of periodic reports effective quarter ended December 2017 and March 2018, as required under the Circular, to the NPS Trust for the Financial Year 2017-18. However, due to insignificant equity portfolio, the Company did not exercise voting decision on e-voting platforms for quarter ended June 2017 and September 2017. The same has been intimated to NPS Trust vide letter dated October 6, 2017.

This Certificate has been issued as per the requirement under Para 2 of the Circular No PFRDA/2015/15/NPST/1 dated August 17, 2015. Our review is to the extent of documents/information submitted by the company in this regard.

For M.P. Chitale & Co. Chartered Accountants Firm Reg. No. 101851W

Santosh More

Partner

Membership No: 114236