

Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

ANNUAL REPORT 2020-2021

SCHEME E TIER I

SCHEME C TIER I

SCHEME G TIER I

SCHEME A TIER I

SCHEME E TIER II

SCHEME C TIER II

SCHEME G TIER II

SCHEME TAX SAVER TIER II

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CIN: U66000MH2015PLC260801

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To The subscribers,

Aditya Birla Sun Life Pension Management Limited ("the Company") presents the annual report along with the audited financial statements of the schemes for the year ended 31st Mar 2021.

During the year ended 31st Mar 2021, the Company managed the following 8 schemes under the National Pension System

1. Scheme E Tier I
2. Scheme E Tier II
3. Scheme C Tier I
4. Scheme C Tier II
5. Scheme G Tier I
6. Scheme G Tier II
7. Scheme A Tier I
8. Scheme Tax Saver Tier II

BACKGROUND OF THE TRUST, SPONSOR AND PENSION FUND MANAGEMENT COMPANY

a) THE TRUST

Pension Fund Regulatory and Development Authority ('PFRDA') was established by the Government of India on August 23, 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

The National Pension System Trust ('NPS Trust') was established by PFRDA on February 27, 2008 with the execution of the NPS Trust Deed. The NPS Trust has been set up and constituted for taking care of the assets and funds under the National Pension System (NPS) in the interest of the beneficiaries (subscribers). Individual NPS subscribers shall be the beneficiaries of the NPS Trust.

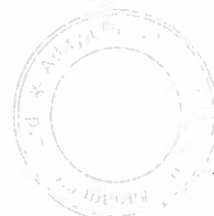
b) SPONSOR

Aditya Birla Sun Life Insurance Company Limited (ABSLI) is one of the leading private sector life insurance companies in India. ABSLI was incorporated on August 4, 2000 and commenced operations on January 17, 2001. ABSLI offers a range of products across the customer's life cycle, including children future plans, wealth protection plans, retirement and pension solutions, health plans, traditional term plans and Unit Linked Insurance Plans ("ULIPs"). As of December 2020, total AUM of ABSLI stood at Rs. 5,06,782 million. ABSLI has a nation-wide distribution presence through 360+ branches, 7 bancassurance partners, 6 distribution channels, over 85,000 direct selling agents, other Corporate Agents and Brokers and through its website. The company has over 13,000 employees and more than 17 lac active customers.

c) PENSION FUND

Aditya Birla Sun Life Pension Management Limited (ABSLPM) is a Pension Fund registered with PFRDA vide registration no PFRDA/BirlaPF/2016 dated 23rd Feb 2016. It commenced its operation from 9th May 2017.

As a part of its business strategy, ABSLPM has also obtained registration as a Point of Presence (PoP), to promote/ market/ sell NPS, under regulation 3 sub regulation (1) of Pension Fund Regulatory & Development Authority (Point of Presence) Regulations, 2018.



ABSLPM is the wholly owned subsidiary of Aditya Birla Sun Life Insurance Company Limited.

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 year started negatively, as the Central Government imposed total lockdown to contain the spread of novel Coronavirus. RBI facilitated easy Financial conditions to support disruption in economic and financing activities. RBI has cumulatively cut the Repo Rate by 115bps, Reverse Repo by 155 bps and CRR by 100bps(until the end of FY21) since the pandemic. RBI also infused liquidity through long term repo operations and open market purchases. Abundant liquidity in the banking system helped the effective transmission of rate cuts into the capital market. Government had to repurpose the budgeted expenses towards Health and Employment schemes. Other measures announced by government include collateral free loans liquidity support to MSME's, reforms in land and labour market etc. GDP printed at -24.40%, -7.30% and 0.40% for Q1, Q2 and Q3 of FY21 respectively. As per the advance estimates given by NSO full year GDP is expected to contract by 8% during FY21.

Global Economic Environment

Global growth entered into recession during the CY20. As per IMF, Global growth was negative 3.3% for the CY20. In response to the Covid-19, Central Banks and Governments throughout the world had to take bold steps to save lives and put a floor on the adverse economic impact stemming from the virus. To counter the unprecedented economic collapse, countries had to expand fiscal support along with monetary easing. The US economy contracted by around 3.5% in the year CY20. Brent Crude ended the year at over 65 dollars per barrel after dropping below 20 dollars in April 2020 due to strong demand outlook, OPEC supply cuts and US Stimulus. Global economy is expected to post a growth of about 6% next year on the back of recovery in economic activity and base effects. However, there is a lot of uncertainty and it is going to be a bumpy ride until the mass immunization against the virus and availability of treatments for the disease. Reflation is expected to gather pace due to vaccination, global upswing, lagged effects of easy financial conditions and inventory restocking.



Market Outlook

Equity

The NSE NIFTY 50 gained about 70% during the FY2020-21 after correcting by 26% during the last FY. Markets rebounded fairly after the lifting of the lockdown and global easy monetary conditions led to unprecedented rally in the stock market. Primarily the rally was fuelled by FII investment inflow to the tune of Rs. 2 Trillion during the FY21. Corporate results showed some normalisation due to pent up demand however sustainability of the broad-based recovery is still a concern given the rising number of Covid infections. Markets are expected to take que from mass vaccination drive, risk of further rise in infections, withdrawal/imposition of lockdowns and Monetary policy support. We expect the market to consolidate after the recent run up and react only based on corporate results and recovery.

Fixed Income

US Treasury after touching a low of 0.50% in August 2020 rose to 1.70% as on 31st March 2021 driven by expectations of higher inflation and expectations of growth normalisation given the rollout of vaccination drive. Brent Crude ended the year at over 65 dollars per barrel after dropping below 20 dollars in April 2020. During the year 10-Year Indian Government Bond yield saw a high of 6.49% and a low of 5.76%. However, 10-year yield closed only 12 bps lower compared to the last FY. CPI inflation in India dropped to 5.03% in Feb 2021, after touching a high of 7.61% in October 2020. GDP is expected to grow by 10.5% during FY22 as per RBI estimates. The global risk aversion sentiment amidst rise in UST yields is an imminent risk to the trajectory of India's bond yield movement along with further hardening of global oil prices and unwarranted increase in core price pressures. Given the ample liquidity in the domestic market we expect a gradual hardening of yields during FY22 as RBI moves towards normalization of monetary policy and focus returns to Inflation. We expect the yields to rise to 6.40-6.65% during the second half of FY 2022.

INVESTMENT OBJECTIVE OF THE SCHEME

The investment objectives of NPS Scheme(s) managed by Aditya 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 the prescribed universe of stocks and money market instruments.
	Scheme E – Tier II	
	Scheme C – Tier I	To optimize returns through investments in eligible fixed income instruments within the prescribed universe and money market instruments.
	Scheme C – Tier II	
	Scheme G – Tier I	To optimize returns through investments in Government and government guaranteed securities and money market instruments.
	Scheme G – Tier II	



Scheme A – Tier I	To optimize returns through investments in: - 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 Tax Saver Tier II	The objective is to optimize the returns by investing in equities shares within the prescribed universe of stocks, eligible private fixed Income instruments, Government and government guaranteed securities and money market instruments.

SCHEME PERFORMANCE AND OPERATIONS

Scheme E Tier I – Equity market instruments

Date of Inception	May 9 th , 2017	
Fund size as on 31/03/2021	Rs.125.19 crores	
NAV as on 31/03/2021	15.6499	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	68.64	73.48
2 Year	13.42	13.62
3 Year	12.73	13.73
Since Inception	12.18	13.09

BSE100 Total Return Index (TRI)

Scheme C Tier I –Credit risk bearing fixed income instruments

Date of Inception	May 9 th , 2017	
Fund size as on 31/03/2021	Rs.54.69 crores	
NAV as on 31/03/2021	14.4865	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	9.88	12.56
2 Year	10.94	12.13
3 Year	9.88	10.52
Since Inception	9.98	9.46

NPS – Corporate Bond Index



Scheme G Tier I –Government Securities

Date of Inception	May 9 th , 2017	
Fund size as on 31/03/2021	Rs.85.70 crores	
NAV as on 31/03/2021	14.0668	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	7.53	6.04
2 Year	11.15	10.72
3 Year	10.50	9.84
Since Inception	9.15	8.43

NPS – Government Securities Index

Scheme A Tier I –Alternative Investment Funds (AIF)

Date of Inception	May 15 th , 2017	
Fund size as on 31/03/2021	Rs.1.24 crores	
NAV as on 31/03/2021	12.4649	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	3.43	NA
2 Year	4.66	NA
3 Year	5.59	NA
Since Inception	5.82	NA

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

Scheme E Tier II – Equity market instruments

Date of Inception	May 9 th , 2017	
Fund size as on 31/03/2021	Rs.12.41 crores	
NAV as on 31/03/2021	15.6014	
Performance as on 31/03/2021: -		
Period	CAGR Return%*	
	Scheme	Benchmark [#]
1 Year	68.90	73.48
2 Year	13.64	13.62
3 Year	12.68	13.73
Since Inception	12.09	13.09

BSE100 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 31/03/2021	Rs. 6.83 crores	
NAV as on 31/03/2021	13.9536	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	9.44	12.56
2 Year	10.43	12.13
3 Year	9.42	10.52
Since Inception	8.93	9.46

NPS – Corporate Bond Index

Scheme G Tier II –Government Securities

Date of Inception	May 9 th , 2017	
Fund size as on 31/03/2021	Rs.10.85 crores	
NAV as on 31/03/2021	13.5172	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
1 Year	7.40	6.04
2 Year	10.90	10.72
3 Year	10.30	9.84
Since Inception	8.04	8.43

NPS – Government Securities Index

Scheme Tax Saver Tier II

Date of Inception	Oct 01 st , 2020	
Fund size as on 31/03/2021	Rs.0.07 crores	
NAV as on 31/03/2021	10.2570	
Performance as on 31/03/2021: -		
Period	CAGR Return%	
	Scheme	Benchmark [#]
Since Inception	0.65	NA

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

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.

DISCLAIMER

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).



INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of National Pension System Trust (NPS Trust) A/c Scheme E Tier I (the Scheme) managed by Aditya Birla Sun Life Pension Management Limited (PFM) which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the *surplus* of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no

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realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABT3292

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME E TIER I

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

Aditya Birla Sun Life Pension Management Ltd.

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CIN: U66000MH2015PLC260801

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Income			
Dividend		1,11,62,418	79,42,488
Miscellaneous income		72	-
Profit on sale/redemption of investments		1,50,17,922	1,65,25,518
Unrealised gain on appreciation in investments		42,85,16,634	-
Total Income (A)		45,46,97,047	2,44,68,006
Expenses & Losses			
Loss on sale/redemption of investments		2,79,30,708	1,21,83,992
Unrealised loss on value of investments		92,99,910	16,76,03,120
Management fees (including service tax)		1,04,655	63,349
NPS Trust fees		44,345	18,675
Stamp duty Charge		19,498	-
Custodian fees		28,711	19,020
Brokerage		-	-
CRA fees		7,70,543	6,28,158
Amount recoverable on sale of units on account of CRA Charges		-7,70,543	-6,28,158
Depository and settlement charges		3,858	4,899
Total Expenditure (B)		3,74,31,685	17,98,93,056
Surplus/(Deficit) for the year (A-B = C)		41,72,65,362	-15,54,25,049
Less: Amount transferred to Unrealised appreciation account		41,92,16,725	-16,76,03,120
Less: Amount transferred to General Reserve		-19,51,363	1,21,78,071
Amount carried forward to Balance Sheet		-	0.02



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	79,99,84,999	55,36,40,016
Reserve & Surplus	2	45,19,85,750	-3,98,57,317
Current Liabilities	3	28,34,603	10,22,701
Total		1,25,48,05,351	51,48,05,400
Assets			
Investment	4	1,25,13,57,442	51,32,19,415
Deposits	5	-	-
Other Current Assets	6	34,47,909	15,85,985
Total		1,25,48,05,351	51,48,05,400
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		1,25,19,70,748	51,37,82,699
(b) Number of units outstanding		7,99,98,500	5,53,64,002

The notes referred to above form an integral part of the financial Statements.



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		55,36,40,016	40,21,50,915
Add :Units issued during the period		37,63,90,815	27,72,30,009
Less: Units redeemed during the period		13,00,45,832	12,57,40,908
Outstanding at the end of the period		79,99,84,999	55,36,40,016
(Face Value of Rs.10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		5,53,64,002	4,02,15,091
Add :Units issued during the period		3,76,39,081	2,77,23,001
Less: Units redeemed during the period		1,30,04,583	1,25,74,091
Outstanding Units at the end of the period		7,99,98,500	5,53,64,002

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		9,20,29,473	6,30,77,595
Add: Premium on Units issued		12,02,21,519	5,54,92,403
Less: Premium on Units redeemed		4,56,43,814	2,65,40,525
Closing balance		16,66,07,177	9,20,29,473
General Reserve			
Opening balance		76,92,154	-44,85,917
Add/(Less): Transfer from/(to) Revenue Account		-19,51,363	1,21,78,071
Closing balance		57,40,791	76,92,154
Unrealised Appreciation Reserve			
Opening balance		-13,95,78,943	2,80,24,177
Add/(Less): Transfer from/(to) Revenue Account		41,92,16,725	-16,76,03,120
Closing balance		27,96,37,782	-13,95,78,943
Total		45,19,85,750	-3,98,57,317

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Sundry creditors for expenses			
Redemption Payable		27,81,349	9,92,757
NPS charges payable		5,208	2,291
NSDL & SEBI Payable		5,100	4,415
Management fees payable		34,782	17,760
Custodial charges payable		8,165	5,477
Total		28,34,603	10,22,701

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Equity shares		1,17,55,82,127	49,24,79,414
Others - Mutual Fund Units		7,57,75,314	2,07,40,001
Total		1,25,13,57,442	51,32,19,415

Schedule 5: Deposits

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme E Tier I	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		32,46,610	15,18,785
Brokerage receivable from PFM		4,37,368	2,67,870
Receivable for sales invst		-4,37,368	-2,67,870
Others - Dividend receivable		2,01,299	67,199
Total		34,47,909	15,85,985



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NPS TRUST A/C
ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	9.2801	12.1967	Closing NAV as on 1st April of the Current F Y
	High	16.2484	13.1231	Highest NAV during the F Y
	Low	8.8048	8.2995	Lowest NAV during the F Y
	End	15.6499	9.2801	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)			
	End	12,519.71	5,137.83	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	8,877.84	5,373.48	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
	Gross income as % of AAUM	51.22%	4.55%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	4.22%	33.48%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (Including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	47.00%	-28.92%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	16.24%	31.54%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%)* Compounded Annualised Yield			
	Last 1 Year	68.6%	-23.6%	
	Last 3 Years	12.7%		CAGR = ((1+ cumulative return)^n) -1
	Last 5 Years			(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	12.2%	-2.55%	

* Declared NAV; Returns calculated based on declared NAV



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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 KFIN Technologies 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), KFIN Technologies 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.



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PFRDA has appointed the KFIN Technologies 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.



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. 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.

b. 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.

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

S.No	Equity Instruments/ETFs	Valuation Methodology
1)	Securities traded on valuation day	As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange
2)	Securities not traded on valuation day	When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date
3)	Securities suspended for reasons other than corporate Actions	i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security. ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.
4)	Index Funds	Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV at 9:00 pm and PFs cut off time for NAV declaration is 8:00 pm



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5)	Exchange Traded Funds	As per the closing price of the day of the respective stock exchange.
6)	IPO Application	1. IPO application money pending allotment at cost basis. 2. Post allotment but awaiting listing at allotment price.
7)	Valuation of Futures and Options	Options: i) If traded, then closing price to be considered ii) If not traded, then theoretical price based on Black Scholes Model may be considered. Futures: All futures shall be valued at the settlement price declared by the exchanges where they are traded in.
8)	Valuation of Warrants	a) Traded In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares. b) Non-traded If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.
9)	Valuation of Preference Shares	a) Traded Securities In case the convertible debentures qualify as traded then they would be valued as per the valuation guidelines applicable to equity shares and valued at cum-interest trade price. b) Thinly Traded / Non-Traded / Unlisted Securities Non-Convertible and Convertible components would be valued separately. i) Non-Convertible component would be valued on the basis of norms governing the valuation of Non- Convertible Debentures and Bonds. ii) Convertible component would be valued at the value of the equity share which would be obtained on conversion. Valuation guidelines related to equity shares would be applicable for the valuation of underlying equity shares
10)	Valuation of Rights	Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price. In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'. The above formula shall be used till the date of

		allotment. From the date of allotment, the security shall be valued at the exchange closing price.
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- Valuation of Shares on Merger, De-merger and Other Corporate Actions Events

S.No	Corporate Action Event	Valuation Methodology
1)	De-Merger	<p>i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.</p> <p>ii) In case shares of only one company are listed & traded on de-merger:</p> <ul style="list-style-type: none"> • Traded shares are to be valued at traded price • Valuation of the shares of other entity pending listing: The value of the entity pending listing/trading is to be estimated at using closing value of the pre-demerger entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps: <ol style="list-style-type: none"> Arrive at value / market cap of the pre-demerger entity using the closing price on the day before the demerger and the number of shares outstanding Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio Estimated value of the entity pending listing/trading post de-merger = 'a -b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.
2)	Merger	<p>In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange. In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of ending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity</p>

		company 'C' is listed and traded on a stock exchange.
3)	Buy-back of Securities	Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.

Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 cost on 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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.

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.



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NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C
ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I
NOTE 7 Notes to Accounts

8. Investments
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, 2021

Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2021		As on 31.03.2021		As on 31.03.2020		As on 31.03.2020	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealized Gain	28.89	32.54%	84.93	113.82	1.81	3.37%	7.92	9.73
Unrealized Loss	0.93	1.05%	12.20	11.37	15.77	29.3%	57.37	41.60
Net Unrealized Gain/Loss	27.96	31.50%	97.24	125.20	-13.96	-25.98%	65.28	51.32

8.5 Aggregate value of purchase and sale with percentage to average assets (Rs in Lakhs)

Particular	E Tier I	
	31.03.2021	31.03.2020
Average Net Asset Value	8,878	5,373
Purchase of Investment	15,735	19,941
% to average Net Asset Value	177.24%	371.11%
Sale of Investment	12,423	17,993
% to average Net Asset Value	139.93%	334.86%

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)	FY 2019-20(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	69,873.19	45,588.97

8.7 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	E Tier I	
	31.03.2021	31.03.2020
Investment management fees	1,04,654.88	63,348.99
Balance with Aditya Birla Sun Life Pension management Ltd		
Particular	E Tier I	E Tier I
	31.03.2021	31.03.2020
Investment Management Fees payable	34,781.69	17,760.02

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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 Reserve

Based on confirmation from CRA the number of units as at the year end are 79998500

8.9 Unit NAV

Particular	As on 31.03.2021	As on 31.03.2020
NAV per unit (Rs)	15.6499	9.2801

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray

Chartered Accountants

Firm Reg. No. 301072E



Partner

Membership No. 31005

For Aditya Birla Sun Life Pension Management Company Limited

Kajal Rao

(Director)

S.C. Bhargava

(Director)



Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen

(Chairman, NPS Board)

Sanku Krishnan

(Chief Executive officer)



No.	Name of the instrument	Industry	Quantity	Market Value	% of Portfolio
002A01024	Reliance Industry Right Issue Partly paid	Manufacture of other petroleum n.e.c. (Includes manufacture of petroleum jelly,	2,732	29,79,246	0.24%
018A01030	LARSEN AND TOUBRO LIMITED	Other civil engineering projects n.e.c.	31,536	4,47,46,430	3.57%
123W01016	SBI LIFE INSURANCE COMPANY LIMITED	Life Insurance	23,500	2,06,99,975	1.65%
376G01013	Biocin Limited	Manufacture of allopathic pharmaceutical preparations	22,500	92,00,250	0.73%
101A01026	MAHINDRA AND MAHINDRA LTD	Manufacture of motor vehicles n.e.c.	29,548	2,34,98,047	1.88%
91701010	Bajaj Auto Limited	Manufacture of motorcycles, scooters, mopeds etc. and their engine	1,590	58,36,254	0.47%
029A01011	Bharat Petroleum Corporation Limited	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or grease	38,660	1,65,44,547	1.32%
347G01014	PETRONET LNG LTD	Distribution and sale of gaseous fuels through mains	78,327	1,75,96,161	1.41%
296A01024	Bajaj Finance Limited	Other financial service activities, except insurance and pension funding activities,	4,595	2,36,63,561	1.89%
280A01028	Titan Company Limited	Manufacture of jewellery of gold, silver and other precious or base metal/metal cl	7,900	1,23,08,595	0.98%
752E01010	POWER GRID CORPORATION OF INDIA LIMITED	Transmission of electric energy	1,07,400	2,31,60,810	1.85%
089A01023	Dr. Reddy's Laboratories Limited	Manufacture of allopathic pharmaceutical preparations	3,195	1,44,28,620	1.15%
481G01011	UltraTech Cement Limited	Manufacture of clinkers and cement	4,305	2,90,06,875	2.32%
044A01036	SUN PHARMACEUTICALS INDUSTRIES LTD	Manufacture of allopathic pharmaceutical preparations	27,540	1,64,63,412	1.31%
467B01029	TATA CONSULTANCY SERVICES LIMITED	Writing, modifying, testing of computer program to meet the needs of a particul	15,809	5,02,38,631	4.01%
238A01034	AXIS BANK	Monetary intermediation of commercial banks, saving banks, postal savings bank	42,190	2,94,25,416	2.35%
001A01036	HOUSING DEVELOPMENT FINANCE CORPORATION	Activities of specialized institutions granting credit for house purchases that also	23,911	5,97,32,069	4.77%
239A01016	NESTLE INDIA LTD	Manufacture of milk-powder, ice-cream powder and condensed milk except baby	672	1,15,35,014	0.92%
154A01025	ITC LTD	Manufacture of cigarettes, cigarette tobacco	1,38,460	3,02,53,510	2.42%
059A01026	CIPLA LIMITED	Manufacture of allopathic pharmaceutical preparations	22,220	1,81,11,522	1.45%
733E01010	NTPC LIMITED	Electric power generation by coal based thermal power plants	47,300	50,39,815	0.40%
062A01020	STATE BANK OF INDIA	Monetary intermediation of commercial banks, saving banks, postal savings bank	87,680	3,19,41,824	2.55%
360A01027	HCL Technologies Limited	Writing, modifying, testing of computer program to meet the needs of a particul	33,150	3,25,74,848	2.60%
081A01012	TATA STEEL LIMITED	Manufacture of hot-rolled and cold-rolled products of steel	3,200	25,97,920	0.21%
009A01021	INFOSYS LTD EQ	Writing, modifying, testing of computer program to meet the needs of a particul	73,310	10,02,91,746	8.01%
040A01034	HDFC BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings bank	65,532	9,78,81,872	7.82%
038A01020	HINDALCO INDUSTRIES LTD.	Manufacture of Aluminium from alumina and by other methods and products of	12,200	39,87,570	0.32%
079A01024	AMBUJA CEMENTS LTD	Manufacture of clinkers and cement	8,000	24,70,800	0.20%
002A01018	RELIANCE INDUSTRIES LIMITED	Manufacture of other petroleum n.e.c. (Includes manufacture of petroleum jelly,	51,687	10,35,34,230	8.27%
085R01010	MARUTI SUZUKI INDIA LTD.	Manufacture of passenger cars	2,956	2,02,75,795	1.62%
0028	KOTAK MAHINDRA BANK LIMITED	Monetary intermediation of commercial banks, saving banks, postal savings bank	21,342	3,74,12,526	2.99%
0027	HINDUSTAN UNILEVER LIMITED	Manufacture of soap all forms	20,947	5,09,32,631	4.07%
155A01022	TATA MOTORS LTD	Manufacture of commercial vehicles such as vans, lorries, over-the-road tractors	9,900	29,87,820	0.24%
021A01026	ASIAN PAINTS LTD.	Manufacture of paints and varnishes, enamels or lacquers	8,957	2,27,27,492	1.82%
063A01024	BHARAT ELECTRONICS LIMITED	Manufacture of data communications equipment, such as bridges, routers, and g	22,400	28,02,240	0.22%
097D01024	BHARTI AIRTEL LTD	Activities of maintaining and operating paging, cellur and other teteccommunicat	62,562	3,23,63,323	2.58%
006A01037	AUROBINDO PHARMA Limited	Manufacture of allopathic pharmaceutical preparations	1,800	15,86,340	0.13%
066A01021	EICHER MOTORS LTD	Manufacture of motorcycles, scooters, mopeds etc. and their engine	3,940	1,02,59,563	0.82%
092A01025	Tata Consumer Products Limited	Processing and blending of tea including manufacture of instant tea	18,000	1,15,00,200	0.92%
090A01021	ICICI BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings bank	1,26,556	7,36,68,248	5.88%
016A01026	Dabur India Limited	Manufacture of hair oil, shampoo, hair dye etc. (Includes manufacture of shampo	30,000	1,62,15,000	1.30%
029A01019	GAIL (INDIA) LIMITED	Distribution and sale of gaseous fuels through mains	1,64,340	2,22,68,070	1.78%
065A01025	Bharat Forge Limited	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	28,500	1,69,84,575	1.36%
070A01015	Shree CEMENT LIMITED	Manufacture of clinkers and cement	470	1,38,48,738	1.11%
	Subtotal A			1,17,55,82,127	93.90%

Money Market Instruments:-	Market Value	% of Portfolio
- Treasury Bills	Nil	-
- Money Market Mutual Funds	7,57,75,314	6.05%
- Certificate of Deposits / Commercial Papers	Nil	-
- Application Pending Allotment	Nil	-
- Bank Fixed Deposits (< 1 Year)	Nil	-
- Cash/ Cash Equivalent & Net Current Assets	32,46,610	0.26%
- Other Current Assets (Accrued Interest)	-	0.00%
Net Current assets	(26,33,304)	-0.21%
Sub Total B	7,63,88,620	6.10%
GRAND TOTAL (sub total A + sub total B)	1,25,19,70,748	100.00%

Average Maturity of Portfolio (In yrs)	-
Modified Duration (In yrs)	-
Yield to Maturity (%) (annualised)(at market price)	-
Net Asset Value	0.0605
Net asset value last month	15.4618
Total investment in Infrastructure	32,79,64,700
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil



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INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of National Pension System Trust (NPS Trust) A/c Scheme C Tier I (the Scheme) managed by Aditya Birla Sun Life Pension Management Limited (PFM) which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no

realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements


As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABW9423

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME C TIER I

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Income			
Interest		3,10,72,581	2,18,72,697
Profit on sale/redemption of investments		4,47,658	4,05,222
Unrealised gain on appreciation in investments		54,47,805	87,95,771
other income		102	-
Total Income (A)		3,69,68,147	3,10,73,690
Expenses & Losses			
Loss on sale of investments		-	4,21,220
Management fees (including GST)		50,407	32,728
NPS Trust fees		21,359	9,753
Custodian fees		13,969	9,529
Depository and settlement charges		2,375	3,280
Stamp duty Charge		10,516	-
CRA fees		3,58,515	3,02,214
Less : Amount recoverable on sale of units on account of CRA Charges		-3,58,515	-3,02,214
Total Expenditure (B)		98,627	4,76,510
Surplus/(Deficit) for the year (A-B = C)		3,68,69,520	3,05,97,180
Less: Amount transferred to Unrealised appreciation account		54,47,805	87,95,771
Less: Amount transferred to General Reserve		3,14,21,714	2,18,01,408
Amount carried forward to Balance Sheet		-	



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	37,75,44,129	26,48,40,288
Reserve & Surplus	2	16,93,84,461	8,43,26,123
Current Liabilities	3	12,52,561	8,49,875
Total		54,81,81,151	35,00,16,286
Assets			
Investment	4	52,93,82,108	33,66,37,643
Deposits	5	-	-
Other Current Assets	6	1,87,99,043	1,33,78,643
Total		54,81,81,151	35,00,16,286
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		54,69,28,590	34,91,66,411
(b) Number of units outstanding		3,77,54,413	2,64,84,029

The notes referred to above form an integral part of the financial Statements.



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		26,48,40,288	20,87,18,056
Add: Units issued during the period		17,25,44,842	12,89,28,560
Less: Units redeemed during the period		5,98,41,001	7,28,06,328
Outstanding at the end of the period		37,75,44,129	26,48,40,288
(Face Value of Rs.10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		2,64,84,029	2,08,71,806
Add: Units issued during the period		1,72,54,484	1,28,92,856
Less: Units redeemed during the period		59,84,100	72,80,633
Outstanding Units at the end of the period		3,77,54,413	2,64,84,029

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		3,69,11,193	2,07,12,780
Add: Premium on Units issued		7,14,35,688	3,28,48,973
Less: Premium on Units redeemed		2,32,46,870	1,66,50,561
Closing balance		8,51,00,011	3,69,11,193
General Reserve			
Opening balance		3,55,77,781	1,37,76,373
Add/(Less): Transfer from/(to) Revenue Account		3,14,21,714	2,18,01,408
Closing balance		6,69,99,496	3,55,77,781
Unrealised Appreciation Reserve			
Opening balance		1,18,37,148	30,41,377
Add/(Less): Transfer from/(to) Revenue Account		54,47,805	87,95,771
Closing balance		1,72,84,954	1,18,37,148
Total		16,93,84,461	8,43,26,123



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Redemption Payable		12,28,987	8,33,709
NPS charges payable		2,219	1,426
NSDL & SEBI Payable		2,590	2,223
Management fees payable		14,647	9,499
CBRIS charges payable		357	560
Custody charges payable		3,760	2,459
Total		12,52,560	8,49,875

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
NCDs		50,91,86,755	32,77,01,762
Others - Mutual Fund Units		2,01,95,353	89,35,881
Total		52,93,82,108	33,66,37,643

Schedule 5: Deposits

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme C Tier I	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		13,42,090	8,76,036
Interest accrued but not due		1,74,56,953	1,25,02,606
Total		1,87,99,043	1,33,78,643

(34)

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	13.1868	11.8007	Closing NAV as on 1st April of the Current FY
	High	14.5515	13.2166	Highest NAV during the FY
	Low	12.8983	11.6895	Lowest NAV during the FY
	End	14.4865	13.1840	Closing NAV as on 31st March of the Current FY
2	Closing Assets Under Management (Rs. in Lakhs)			
	End	5,469	3,492	Closing AUM as on 31st March of the Current FY
	Average (AAUM)	4,276	2,776	AAUM = (Aggregate of the daily AUM in the relevant FY) / (no. of calendar days in the relevant FY)
3	Gross Income as % of AAUM	8.65%	11.20%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	0.02%	0.17%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (Including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	8.62%	11.02%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	42%	3%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%)* Compounded Annualised Yield			
	Last 1 Year	9.88%	11.75%	
	Last 3 Years	9.88%	NA	CAGR = $((1 + \text{cumulative return})^{1/n}) - 1$
	Last 5 Years	NA	NA	(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	9.98%	10.02%	
* Declared NAV; Returns calculated based on declared NAV				



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 KFIN Technologies 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), KFIN Technologies 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 KFIN Technologies 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.



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. 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 up to 60 days are valued at weighted average traded price on that day. When such securities are not traded on a 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 up to 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

b. 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.

c. 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.



d. 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)

e. 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

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

S.No	Type of Security/Instrument	Valuation methodology
1)	All Instruments/ Securities with residual maturity of more than 30 days	Traded Securities: The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs. Non-Traded Securities: The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs. Purchase of new securities: In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level

		price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.
2)	All Instruments/ Securities with residual maturity of up to 30 days	The securities will be valued by amortization on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, (presently $\pm 0.025\%$, i.e. ± 2.5 basis points) of the reference price provided by the valuation agency

Valuation policy for securities below investment grade (securities which were of investment grade at the time of purchase, but which have fallen below the investment grade):

In the cases of securities below BBB -, the same shall be valued as below:

- All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.
- All non-investment grade debt securities (other than Government securities) not covered above **shall be valued at the indicative haircut matrix or price provided by the valuation agency.** In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered

Valuation of Mutual Fund Units

- Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.

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.



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

8.1 Investments

8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2020

Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31-03-2021		As on 31-03-2021		As on 31-03-2020		As on 31-03-2020	
	Rs in Crs	% to AUM	Cost	Market Value (Cr)	Rs in Crs	% to AUM	Cost	Market Value (Cr)
Unrealised Gain	2.01	4.71%	41.91	43.92	1.29	4.55%	31.00	32.29
Unrealised Loss	0.28	0.66%	11.05	10.77	0.11	0.38%	1.48	1.38
Net Unrealised Gain/Loss	1.73	4.04%	52.96	54.69	1.18	4.26%	32.48	33.66

8.6 Aggregate value of purchase and sale with percentage to average assets (Rs in lakhs)

Particular	C-Tier I		C-Tier I	
	31-03-2021		31-03-2020	
Average Net Asset Value	4,276		2,776	
Purchase of Investment	8,082		8,507	
% to average Net Asset Value	189.01%		306.48%	
Sale of Investment	6,177		7,539	
% to average Net Asset Value	144.44%		271.61%	

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)	FY 2019-20(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	35760.08	23228.94

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	C-Tier I		C-Tier I	
	31-03-2021		31-03-2020	
Investment management fees	50407.47		32728.22	
Balance with Aditya Birla Sun Life Pension management Ltd				
Particular	C-Tier I		C-Tier I	
	31-03-2021		31-03-2020	
Investment Management Fees payable	14647.39		9499.28	



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 in 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 37754413

8.9 Unit NAV

Particular	As on 31-03-2021	As on 31-03-2020
NAV per unit (Rs)	14.4865	13.1840

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray

Chartered Accountants

Firm Reg. No. 30100/RT/AY



Partner

Membership No. 31005

For Aditya Birla Sun Life Pension Management Company Limited



Rajesh Rao

(Director)



S.C. Bhargava

(Director)



Place : Mumbai

Date :

For and on behalf of NPS Trust

Signature of Sh. Atanu Sen

Sh. Atanu Sen

(Chairman, NPS Board)

Signature of Gashu Krishnani

Gashu Krishnani

(Chief Executive officer)



ISIN	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio	Rating
774088MA6	9% Mahindra Financial Services LTD NCD (series B) MD 06/06/26	Other financial service activities, except insurance and pension funding activities, n.e.c.	600.00	6,38,774	0.12%	CARE AAA
1573E09197	9.10% PNB HOUSING FINANCE LTD 21.12.2022	Activities of specialized institutions granting credit for house purchases that also take dep	1.00	9,97,665	0.18%	CRISIL AA
1296A08B47	8.15% Bajaj Finance Ltd MD 22/06/2027	Other financial service activities, except insurance and pension funding activities, n.e.c.	2.00	21,07,894	0.39%	CRISIL AAA
1148070K5	8.85% Indiabulls Housing Finance 28.09.2026	Activities of specialized institutions granting credit for house purchases that also take dep	1,000.00	6,05,282	0.11%	CARE AA
134E08DB8	8.85% PFC 15 Dec 2030	Other credit granting	1.00	11,22,025	0.21%	ICRA/AAA
1115A07LU0	7.85% LIC Housing Finance MD 17/05/2027	Activities of specialized institutions granting credit for house purchases that also take dep	11.00	1,14,98,268	2.10%	CRISIL AAA
1774088MA5	8% Mahindra Financial Services LTD NCD MD 24/07/2027	Other financial service activities, except insurance and pension funding activities, n.e.c.	1,300.00	13,01,777	0.24%	IND AAA
206008188	9.18% NTPC 23.01.2026	Electric power generation and transmission by nuclear power plants	2.00	22,90,236	0.41%	CRISIL AAA
1600A08BY6	8.45 % SUNDARAM FINANCE 21.02.2028	Financial leasing	7.00	72,63,494	1.33%	ICRA/AAA
1752E07KY6	7.93% POWER GRID CORP MD 20.05.2027	Transmission of electric energy	2.00	21,50,754	0.39%	ICRA/AAA
1752E07K23	7.93% POWER GRID CORPORATION MD 20.05.2028	Transmission of electric energy	1.00	10,64,614	0.19%	ICRA/AAA
1053F07AB5	7.27% IRFC 15 Dec 2027	Other credit granting	4.00	41,84,532	0.77%	ICRA/AAA
1752E07KX8	7.93% PGC 20.05.2026	Transmission of electric energy	1.00	10,71,617	0.20%	ICRA/AAA
1261F08AD8	8.20% NABARD 09.01.2028 (GOI Service)	Other monetary intermediation services n.e.c.	5.00	54,08,250	0.99%	CRISIL AAA
134E08CY2	8.70% PFC 14.05.2025	Other credit granting	8.00	87,44,688	1.62%	ICRA/AAA
1514E08E18	8.15 % EXIM 05.03.2025	Other monetary intermediation services n.e.c.	5.00	54,19,160	0.99%	ICRA/AAA
1238A08351	8.85 % AXIS BANK 05.12.2024	Monetary intermediation of commercial banks, saving banks, postal savings bank and disc	6.00	66,16,932	1.21%	ICRA/AAA
1020B08A09	7.70% REC 10.12.2027	Other credit granting	5.00	52,88,880	0.97%	ICRA/AAA
1660A08BX8	8.45% SUNDARAM FINANCE 19.01.2028	Financial leasing	5.00	51,85,245	0.95%	ICRA/AAA
1070B08740	9.35 % REC 15.06.2022	Other credit granting	6.00	63,28,518	1.16%	CRISIL AAA
1053F09HQ4	9.47% IRFC 10 May 2031	Other credit granting	6.00	72,26,850	1.32%	ICRA/AAA
1261F08AZ1	8.54% NABARD 30 Jan 2034	Other monetary intermediation services n.e.c.	6.00	67,63,626	1.24%	CRISIL AAA
1053F07B45	8.15% IRFC 21 Feb 2029	Other credit granting	8.00	88,31,384	1.61%	ICRA/AAA
184E07484	8.78% NHPC 13 Feb 2028	Electric power generation by hydroelectric power plants	40.00	44,47,208	0.81%	ICRA/AAA
1115A07QB4	8.70% LIC HOUSING FINANCE LTD 23 Mar 2029	Activities of specialized institutions granting credit for house purchases that also take dep	4.00	43,84,668	0.80%	CRISIL AAA
1031A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases that also take dep	20.00	2,70,40,220	4.03%	ICRA/AAA
1261F08MVO	8.25% NABARD 13 Dec 2028 (GOI Service)	Other monetary intermediation services n.e.c.	2.00	21,79,326	0.40%	CRISIL AAA
1752E07OC4	7.36% PGC 17 Oct 2026	Transmission of electric energy	7.00	73,51,148	1.34%	ICRA/AAA
1053F07B75	7.54% IRFC 29 Jul 2034	Other credit granting	6.00	63,07,748	1.15%	ICRA/AAA
1031A08699	8.41% HUDCO GOI 15 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases that also take dep	4.00	44,11,768	0.81%	ICRA/AAA
1732E07KL3	7.32% NTPC 17 Jul 2029	Electric power generation by coal based thermal power plants	8.00	82,88,728	1.52%	ICRA/AAA
1732E07KA6	8.05% NTPC 5 May 2026	Electric power generation by coal based thermal power plants	2.00	21,70,552	0.40%	ICRA/AAA
1031A075B7	8.05% HDFC Ltd 22 Oct 2029	Activities of specialized institutions granting credit for house purchases that also take dep	13.00	1,38,22,939	2.53%	ICRA/AAA
1261F08BP0	7.83% NABARD 17 Oct 2034	Other monetary intermediation services n.e.c.	6.00	64,32,964	1.17%	CRISIL AAA
106807H07	7.49% NHAI 1 Aug 2029	Construction and maintenance of motorways, streets, roads, other vehicular and pedestria	3.00	30,76,908	0.58%	CRISIL AAA
106807H05	7.70% NHAI 13 Sep 2029	Construction and maintenance of motorways, streets, roads, other vehicular and pedestria	21.00	2,20,40,447	4.04%	CRISIL AAA
1001A077G3	8.96% HDFC Ltd 8 Apr 2025	Activities of specialized institutions granting credit for house purchases that also take dep	2.00	21,86,892	0.40%	ICRA/AAA
1752E07JM3	9.25% PGC DEC 26	Transmission of electric energy	8.00	1,14,04,650	2.09%	ICRA/AAA
1053F07BC1	6.35% IRFC 13 Mar 2029	Other credit granting	5.00	54,62,430	1.00%	ICRA/AAA
106807H02	8.98% NHAI 29 June 2035	Construction and maintenance of motorways, streets, roads, other vehicular and pedestria	5.00	49,88,975	0.91%	ICRA/AAA
296A07RA7	7.80% Bajaj Finance 10 Jan 2030	Other financial service activities, except insurance and pension funding activities, n.e.c.	1.00	10,33,064	0.19%	CRISIL AAA
106807H01	8.80% SBI Basell: Tier II 21 Aug 2035 Call 21 Aug 2030	Monetary intermediation of commercial banks, saving banks, postal savings bank and disc	9.00	87,84,765	1.61%	CRISIL AAA
134E08E18	8.67% PFC 19 Nov 2028	Other credit granting	9.00	99,96,642	1.83%	ICRA/AAA
206008204	9.18% Nuclear Power Corporation of India Limited 23-Jan-2029	Electric power generation and transmission by nuclear power plants	5.00	57,54,575	1.05%	CRISIL AAA
106807H04	9.18% Nuclear Power Corporation of India Limited 23-Jan-2028	Electric power generation and transmission by nuclear power plants	4.00	45,31,152	0.83%	CRISIL AAA
184E07AW7	7.38% NHPC 03.01.2029	Electric power generation by hydroelectric power plants	40.00	82,88,728	1.51%	ICRA/AAA
1752E07DB6	7.55% Power Grid Corporation 21-Sept-2031	Transmission of electric energy	17.00	1,78,10,112	3.27%	ICRA/AAA
1053F07CS3	6.85% IRFC 29-Dec-2040	Other credit granting	9.00	88,73,001	1.62%	ICRA/AAA
1261F08B32	7.69% NABARD 31-Mar-2032	Other monetary intermediation services n.e.c.	1.00	10,51,725	0.19%	CRISIL AAA
1115A07J58	8.48% LIC Housing 29 Jun 2026	Activities of specialized institutions granting credit for house purchases that also take dep	1.00	10,82,891	0.20%	CRISIL AAA
296A07R08	6% Bajaj Finance 24-Dec-2025	Other financial service activities, except insurance and pension funding activities, n.e.c.	9.00	88,00,477	1.61%	CRISIL AAA
106807H03	7.03% NHAI 2040 [Secured] 15-Dec-2040	Construction and maintenance of motorways, streets, roads, other vehicular and pedestria	5.00	49,46,175	0.91%	ICRA/AAA
1001A075W3	6.83% HDFC 2031 08-Jan-2031	Activities of specialized institutions granting credit for house purchases that also take dep	14.00	1,38,78,018	2.54%	ICRA/AAA
296A07RND	6.92% Bajaj Finance 24-Dec-2030	Other financial service activities, except insurance and pension funding activities, n.e.c.	8.00	77,32,200	1.42%	ICRA/AAA
1115A07DF5	7.99% LIC Housing 12 July 2029 Put Option (12 July 2031)	Activities of specialized institutions granting credit for house purchases that also take dep	14.00	1,47,70,364	2.70%	CRISIL AAA
206008A77	8.80% Nuclear Power Corporation of India Limited 24-Mar-2031	Electric power generation and transmission by nuclear power plants	25.00	2,50,03,675	4.57%	ICRA/AAA
134E08AG6	8.80% EXIM 29 Sep 2021	Other monetary intermediation services n.e.c.	1.00	10,27,697	0.19%	ICRA/AAA
537070430	9.25 % INDIA INFRADEBT 19.06.2023	Other monetary intermediation services n.e.c.	5.00	52,78,385	0.97%	ICRA/AAA
235P07B94	9.30% L&T INFRA DEBT FUND 5 July 2024	Other financial service activities, except insurance and pension funding activities, n.e.c.	9.00	94,24,377	1.72%	ICRA/AAA
134E08D11	7.10 % PFC 08 Dec 2022	Other credit granting	5.00	51,52,010	0.94%	ICRA/AAA
121A080A2	9.08% Cholamandalam Investment & Finance Co. Ltd 23.11.2023	Other financial service activities, except insurance and pension funding activities, n.e.c.	1.00	10,40,030	0.19%	ICRA/AAA
202E07062	9.02% IREDA 24 Sep 2025	Other credit granting	1.00	10,96,652	0.20%	CARE AAA(CT)
121A080E4	8.80% Chola Investment & Finance 28 Jun 27	Other financial service activities, except insurance and pension funding activities, n.e.c.	5.00	50,76,420	0.93%	ICRA/AAA
1115A07DT9	8.89% LIC Housing 25 Apr 2023	Activities of specialized institutions granting credit for house purchases that also take dep	5.00	13,44,095	0.25%	CRISIL AAA
1261F08A17	6.60% NABARD 31 Jan 2022	Other monetary intermediation services n.e.c.	5.00	51,81,545	0.95%	CRISIL AAA
1001A07NP8	8.43% HDFC Ltd 4 Mar 2025	Activities of specialized institutions granting credit for house purchases that also take dep	12.00	64,39,788	1.16%	ICRA/AAA
1732E07J86	8.84% NTPC 4 Oct 2022	Electric power generation by coal based thermal power plants	2.00	21,19,406	0.39%	ICRA/AAA
514E08D00	9.50% EXIM 3 Dec 2023	Other monetary intermediation services n.e.c.	5.00	55,59,790	1.03%	ICRA/AAA
1115A07D11	9.00% LIC Housing 9 Aug 2023	Activities of specialized institutions granting credit for house purchases that also take dep	8.00	64,17,948	1.19%	CRISIL AAA
535H08660	9.30% Fullerton India Credit 25 Apr 2023	Other credit granting	1.00	10,41,410	0.19%	IND AA+
002A08534	9.05% Reliance Industries 17 Oct 2028	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-cr	7.00	79,89,170	1.46%	ICRA/AAA
002A08542	9.95% Reliance Industries 9 Nov 2028	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-cr	5.00	56,82,165	1.04%	ICRA/AAA
535H08553	11.40 % FULLERTON INDIA CREDIT CO LTD	Other credit granting	8.00	85,12,104	1.56%	ICRA/AAA
134E08D15	7.85% PFC 03 Oct 2026	Other credit granting	3.00	31,17,078	0.57%	ICRA/AAA
062A08165	8.90% SBI Tier II 2 Nov 2028 Call 2 Nov 2023	Monetary intermediation of commercial banks, saving banks, postal savings bank and disc	25.00	2,68,92,625	4.93%	CRISIL AAA
000A07M54	9.24% HDFC Ltd 24 June 2024	Activities of specialized institutions granting credit for house purchases that also take dep	6.00	65,87,868	1.22%	ICRA/AAA
787H07057	9.41% India Infrastructure Finance Co Ltd 27 Jul 2037	Other monetary intermediation services n.e.c.	10.00	1,14,40,500	2.09%	CRISIL AAA
906807H01	7.27 % NHAI 06.06.2022	Construction and maintenance of motorways, streets, roads, other vehicular and pedestria	5.00	51,62,265	0.94%	ICRA/AAA
	Subtotal A			50,91,46,754	93.10%	

Money Market Instruments		Market Value	% of Portfolio	Rating
- Treasury Bills			NIL	-
- Money Market Mutual Funds			2,01,95,393	3.69%
- Certificate of Deposits / Commercial Papers			NIL	-
- Application Pending Allotment			NIL	-
- Bank Fixed Deposits (< 1 Year)			NIL	-
- Cash/ Cash Equivalent & Net Current Assets			13,42,090	0.25%
- Other Current Assets [Accrued Interest]			1,74,57,630	3.19%
Net Current assets			(12,53,387)	-0.23%
Sub Total B			3,77,41,686	6.90%
GRAND TOTAL (sub total A + sub total B)			54,69,38,440	100.00%

Average Maturity of Portfolio (In yrs)	7.34
Modified Duration (In yrs)	5.07
Yield to Maturity (%) [annualised] at market price	6.62%
Net Asset Value	14.4865
Net asset value last month	14.2867
Total investment in Infrastructure	40,51,32,096
Total outstanding exposure to derivatives	NIL
Total NPA provided for	NIL

CREDIT RATING EXPOSURE		Market Value	% of Portfolio	Rating
Securities				
Central Govt. Securities				
State Development Loans				
AAA / Equivalent		49,19,13,643	89.94%	
A1+ (For Commercial Paper)				
AA+ / Equivalent		1,56,70,164	2.87%	
AA / Equivalent		16,02,947	0.29%	
AA- / Equivalent				
A+ / Equivalent				

(45)

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme G Tier I (the Scheme)** managed by **Aditya Birla Sun Life Pension Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the

Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair

presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

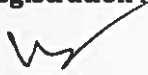
As required by the Schedule VII to the Regulations, we report that:

- 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABY4401

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME G TIER I

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Income			
Interest		4,23,28,831	2,53,13,717
Profit on sale/redemption of investments		40,75,033	5,31,977
Unrealised gain on appreciation in investments		-	2,31,49,249
other income		78	-
Total Income (A)		4,64,03,943	4,89,94,943
Expenses & Losses			
Unrealised losses in value of investments		67,04,776	-
Management fees (including service tax)		75,331	42,182
NPS Trust fees		31,920	12,849
Custodian fees		20,808	12,205
Stamp duty charges		19,835	-
Depository and settlement charges		7,606	4,548
CRA fees		5,18,482	4,34,177
Less : Amount recoverable on sale of units on account of CRA Charges		-5,18,482	-4,34,177
Total Expenditure (B)		68,60,275	71,785
Surplus/(Deficit) for the year (A-B = C)		3,95,43,667	4,89,23,158
Less: Amount transferred to Unrealised appreciation account		67,04,776	2,31,49,249
Less: Amount transferred to General Reserve		4,62,48,443	2,57,73,909
Amount carried forward to Balance Sheet		-	-



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	60,92,90,744	37,03,69,429
Reserve & Surplus	2	24,77,85,092	11,41,31,496
Current Liabilities	3	13,39,269	5,45,369
Total		85,84,15,104	48,50,46,295
Assets			
Investment	4	83,88,12,494	47,47,54,177
Deposits	5	-	-
Other Current Assets	6	1,96,02,610	1,02,92,118
Total		85,84,15,104	48,50,46,295
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		85,70,75,836	48,45,00,925
(b) Number of units outstanding		6,09,29,074	3,70,36,943

The notes referred to above form an integral part of the financial Statements.



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		37,03,69,429	24,74,95,931
Add :Units issued during the period		29,86,58,422	18,10,99,747
Less: Units redeemed during the period		5,97,37,107	5,82,26,249
Outstanding at the end of the period		60,92,90,744	37,03,69,429
(Face Value of Rs.10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		3,70,36,943	2,47,49,593
Add :Units issued during the period		2,98,65,842	1,81,09,975
Less: Units redeemed during the period		59,73,711	58,22,625
Outstanding Units at the end of the period		6,09,29,074	3,70,36,943

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		4,68,59,437	1,57,87,204
Add: Premium on Units issued		11,67,33,487	4,35,67,042
Less: Premium on Units redeemed		2,26,23,559	1,24,94,809
Closing balance		14,09,69,365	4,68,59,437
General Reserve			
Opening balance		3,89,29,938	1,31,56,029
Add/(Less): Transfer from/(to) Revenue Account		4,62,48,443	2,57,73,909
Closing balance		8,51,78,381	3,89,29,938
Unrealised Appreciation Reserve			
Opening balance		2,83,42,121	51,92,872
Add/(Less): Transfer from/(to) Revenue Account		-67,04,776	2,31,49,249
Closing balance		2,16,37,345	2,83,42,121
Total		24,77,85,092	11,41,31,496



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Redemption Payable		13,03,235	5,24,252
NPS charges payable		3,456	1,982
NSDL & SEBI Payable		2,532	1,696
Management fees payable		22,491	12,927
Custody charges payable		5,505	2,858
CCIL Charges Payable		2,049	1,655
Total		13,39,269	5,45,369

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Government Securities		63,59,05,519	38,90,71,941
State Government Securities		13,45,27,317	6,75,02,040
Non Convertible Debentures taxable		33,27,324	-
Others - Mutual Fund Units		6,50,52,335	1,81,80,196
Total		83,88,12,494	47,47,54,177

Schedule 5: Deposits

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme G Tier I	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		12,92,860	5,23,518
Sundry debtors (margin money)		53,00,000	23,00,000
Interest Accrued But Not Due-SDL		27,25,774	11,72,426
Interest Accrued But Not Due-Non Convertible Deb.		81,049	-
Interest accrude but not due on G sec		1,02,02,927	62,96,174
Total		1,96,02,610	1,02,92,118



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S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	13.0840	11.3815	Closing NAV as on 1st April of the Current F Y
	High	14.3196	13.2502	Highest NAV during the F Y
	Low	12.8401	11.2959	Lowest NAV during the F Y
	End	14.0668	13.0816	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	8,571	4,845	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	6393	3579	AAUM = (Aggregate of the daily AUM in the relevant F Y) / { no. of calendar days in the relevant F Y}
3	Gross Income as % of AAUM	7.26%	13.69%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	1.07%	0.02%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
	Net Income as a percentage of AAUM	6.19%	13.67%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	9.86%	0.46%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%) * Compounded Annualised Yield			
	Last 1 Year	7.53%	14.96%	
	Last 3 Years	10.50%	NA	CAGR = $\{(1 + \text{cumulative return})^n\} - 1$
	Last 5 Years	NA	NA	(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	9.15%	9.72%	

* Declared NAV; Returns calculated based on declared NAV



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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 KFIN Technologies 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), KFIN Technologies 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 KFIN Technologies Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February 2017.



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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



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. Securities traded at a stock exchange:

- Central Government, State Government, Treasury Bill securities are valued at the prices provided by valuation agency on the particular valuation day.
- Mutual fund units are valued based on the net asset value of the preceding day of the valuation date.

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

Type of Security	Valuation Methodology
Securities with residual maturity of more than 30 days	The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.
Securities with residual maturity of upto 30 days	The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.

Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.



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.



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

8.1 Investments

8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021

Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2021			As on 31.03.2021			As on 31.03.2020			As on 31.03.2020		
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealised Gain	2.73	4.26%	55.78	58.50	2.85	7.97%	43.95	46.80	0.69	0.05%	44.64	47.48
Unrealised Loss	0.56	0.88%	27.76	27.20	0.02	0.05%	0.69	0.68				
Net Unrealised Gain/Loss	2.16	3.38%	83.54	85.71	2.83	7.92%	44.64	47.48				

8.6 Aggregate value of purchase and sale with percentage to average assets (Rs in lakhs)

Particular	G Tier I	
	31.03.2021	31.03.2020
Average Net Asset Value	6,393	3,579
Purchase of Investment	14,864	13,073
% to average Net Asset Value	232.50%	365.27%
Sale of Investment	11,157	11,236
% to average Net Asset Value	174.51%	313.94%

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)	FY 2019-20(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd Management fees paid		52,840.18	29,255.62

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	G Tier I 31.03.2021	G Tier I 31.03.2020
Investment management fees	75,330.89	42,182.30

Balance with Aditya Birla Sun life Pension management Ltd

Particular	G Tier I 31.03.2021	G Tier I 31.03.2020
Investment Management Fees payable	22490.71	12926.68

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 Reserve

Based on confirmation from CRA the number of units as at the year end are 50929074

8.9 Unit NAV

Particular	As on 31.03.2021	As on 31.03.2020
NAV per unit (Rs)	14.0668	13.0816

8 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray

Chartered Accountants

Firm Reg. No. 30107

For Aditya Birla Sun Life Pension Management Company Limited

Anil Karnik
Partner
Membership No. 31005

Kamlesh Rao
(Director)

S.C. Bhargava
(Director)

Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen
(Chairman, NPS Board)

Santosh Krishnan
(Chief Executive Officer)



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No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio	Ratings
261F08AJ5	8.65% Nabard (GOI Service) 8 Jun 2028	Other monetary intermediation	3	33,27,324	0.39%	CRISIL AAA
120180036	8.15% Tamil Nadu SDL 9-May-28	SDL	20,000	21,55,598	0.25%	-
220170038	7.18% MAHARASHTRA SDL 28-Jun-2029	SDL	29,000	29,64,499	0.35%	-
220200017	7.83% MAHARASHTRA SDL 2030 (08-APR-2030) 2030	SDL	1,00,000	1,06,50,660	1.24%	-
020150010	7.68% GS 15.12.2023	GOI	55,000	58,80,936	0.69%	-
520180204	8.38% Telangana SDL 2049	SDL	60,000	70,42,674	0.82%	-
020040039	7.50% GOI 10-Aug-2034	GOI	2,39,000	2,55,61,002	2.98%	-
120180200	8.08% Tamilnadu SDL 26.12.2028.	SDL	45,000	48,52,179	0.57%	-
020070044	8.32% GS 02.08.2032	GOI	40,000	44,89,308	0.52%	-
020180411	8.39% ANDHRA PRADESH SDL 06.02.2031	SDL	55,000	60,81,543	0.71%	-
920180156	8.22 % KARNATAK 30.01.2031	SDL	90,000	98,42,562	1.15%	-
120180052	8.08% Maharashtra SDL 2028	SDL	90,000	97,04,358	1.13%	-
120180010	SDL TAMIL NADU 8.05% 2028	SDL	1,20,000	1,28,75,784	1.50%	-
020110063	8.83% GOI 12.12.2041	GOI	95,000	1,16,41,509	1.36%	-
1220170103	7.33% MAHARASHTRA SDL 2027	SDL	68,000	70,52,974	0.82%	-
020180039	8.33 % KERALA SDL 30.05.2028	SDL	55,000	59,85,854	0.70%	-
020150077	7.72% GOI 26.10.2055.	GOI	63,000	70,83,248	0.83%	-
020170147	8.13 % KERALA SDL 21.03.2028	SDL	22,300	23,98,604	0.28%	-
1920170157	8.00% Karnataka SDL 2028 (17-JAN-2028)	SDL	20,000	21,33,962	0.25%	-
120150203	8.69% Tamil Nadu SDL 24.02.2026	SDL	10,500	11,57,262	0.14%	-
020140078	8.17% GS 2044 (01-DEC-2044).	GOI	2,50,500	2,90,40,465	3.39%	-
02020140011	8.60% GS 2028 (02-JUN-2028)	GOI	1,80,000	2,02,32,648	2.36%	-
02020160092	6.62% GOI 2051 (28-NOV-2051) 2051.	GOI	3,00,000	2,94,72,600	3.44%	-
020190024	7.62% GS 2039 (15-09-2039)	GOI	1,28,300	1,39,11,056	1.62%	-
020200245	6.22% GOI 2035 (16-Mar-2035)	GOI	4,25,400	4,06,71,048	4.75%	-
020200153	05.77% GOI 03-Aug-2030	GOI	1,20,000	1,15,37,328	1.35%	-
020190040	7.69% GOI 17.06.2043	GOI	1,70,000	1,87,35,003	2.19%	-
020080050	6.83% GOI 19-JAN-2039	GOI	4,50,000	4,53,15,090	5.29%	-
02020170174	7.17% GOI 08-Jan-2028	GOI	1,50,000	1,56,95,505	1.83%	-
02020150044	8.13% GOI 22 June 2045	GOI	80,000	92,73,976	1.08%	-
02020160078	8.24% GOI 15-Feb-2027	GOI	90,000	98,97,507	1.15%	-
0202020106	7.95% GOI 28-Aug-2032	GOI	2,97,000	3,26,80,959	3.81%	-
1520130072	9.50% GUJARAT SDL 11-SEP-2023.	SDL	1,30,000	1,42,67,682	1.66%	-
0020160100	6.57% GOI 2033 (MD 05/12/2033)	GOI	1,70,900	1,69,21,629	1.97%	-
0020160118	6.79% GS 26.12.2029	GOI	1,35,300	1,38,17,310	1.61%	-
0020150051	7.73% GS MD 19/12/2034	GOI	1,52,200	1,65,70,440	1.93%	-
0020170026	6.79% GSEC (15/MAY/2027) 2027	GOI	56,000	57,75,633	0.67%	-
0020070036	8.26% Government of India 02.08.2027	GOI	2,91,000	3,21,07,340	3.75%	-
0020160019	7.61% GSEC 09.05.2030	GOI	5,49,000	5,87,04,296	6.85%	-
0020070069	8.28% GOI 21.09.2027	GOI	1,94,000	2,14,50,987	2.50%	-
0020030014	6.30% GOI 09.04.2023	GOI	34,400	35,55,144	0.41%	-
0020110048	9.15% GOI 14.11.2024	GOI	60,000	67,29,246	0.79%	-
0020140060	8.15% GSEC 24.11.2026	GOI	15,000	16,43,999	0.19%	-
0020150069	7.59% GOI 20.03.2029	GOI	1,03,000	1,09,91,491	1.28%	-
0020060086	8.28% GOI 15.02.2032	GOI	8,500	9,52,036	0.11%	-
0020150028	7.88% GOI 19.03.2030	GOI	46,000	50,07,091	0.58%	-
0020050012	7.40% GOI 09.09.2035	GOI	5,15,600	5,48,80,619	6.40%	-
0020060045	8.33% GS 7.06.2036	GOI	1,57,000	1,79,94,586	2.10%	-
1920190098	7.23% Karnataka SDL06-Nov-2028	SDL	1,20,000	1,23,36,600	1.44%	-
2220200264	6.63% MAHARASHTRA SDL 14-OCT-2030	SDL	1,99,700	1,97,20,555	2.30%	-
2220150196	8.67% Maharashtra SDL 24 Feb 2026	SDL	30,000	33,03,969	0.39%	-
0020160068	7.06 % GOI 10.10.2046	GOI	3,64,700	3,76,84,487	4.40%	-
	Subtotal A			77,37,60,159	90.28%	

Money Market Instruments:-	Market Value	% of Portfolio	Ratings
- Treasury Bills		Nil	-
- Money Market Mutual Funds	6,50,52,334.92	7.59%	-
- Certificate of Deposits / Commercial Papers		Nil	-
- Application Pending Allotment		Nil	-
- Bank Fixed Deposits (< 1 Year)		Nil	-
- Cash/ Cash Equivalent & Net Current Assets	12,92,859.51	0.15%	-
- Other Current Assets (Accrued Interest)	1,30,09,767.12	1.52%	-
Net Current assets	39,60,715.66	0.46%	-
Sub Total B	8,33,15,677	9.72%	
GRAND TOTAL (sub total A + sub total B)	85,70,75,837	100.00%	

Average Maturity of Portfolio (in yrs)	13.46
Modified Duration (in yrs)	7.85
Yield to Maturity (%) (annualised)(at market price	6.59%
Net Asset Value	14.0668
Net asset value last month	13.8593
Total investment in Infrastructure	33,27,324
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil

CREDIT RATING EXPOSURE	Market Value	% of Portfolio	Ratings
Securities			
Central Govt. Securities	63,59,05,519	74.19%	
State Development Loans	13,45,27,317	15.70%	
AAA / Equivalent	33,27,324	0.39%	
A1+ (For Commercial Paper)		-	

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INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme A Tier I (the Scheme)** managed by **Aditya Birla Sun Life Pension Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

The investments in the scheme do not fall within the prescribed guidelines due to business/market limitations which is duly communicated to NPS Trust from time to time.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements


As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABV6644

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME A TIER I

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Amount in Rupees

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Income			
Dividend		-	-
Interest Income		95,770	-
Profit on sale/redemption of investments		95,823	4,43,256
Unrealised gain on appreciation in investments		1,35,984	-
Other Income		2	-
Total Income (A)		3,27,580	4,43,256
Expenses & Losses			
Loss on sale/redemption of investments		-	-
Unrealised losses in value of investments		-	65,937
Management fees (including GST)		1,148	797
NPS Trust fees		486	230
Custodian fees		37	-
Stamp Duty Charges		748	-
Brokerage		-	-
CRA fees		8,162	7,880
Less : Amount recoverable on sale of units on account of CRA Charges		-8,162	-7,880
Depository and settlement charges		65	-
Total Expenditure (B)		2,484	66,963
Surplus/(Deficit) for the year (A-B = C)		3,25,096	3,76,293
Net Surplus/Deficit brought forward from previous year			
Less: Amount transferred to Unrealised appreciation account		1,35,984	-65,937
Less: Amount transferred to General Reserve		1,89,111	4,42,230
Amount carried forward to Balance Sheet		-	-



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Amount in Rupees

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	1,00,03,546	67,14,336
Reserve & Surplus	2	24,65,822	13,77,289
Current Liabilities	3	45,283	827
Total		1,25,14,650	80,92,452
Assets			
Investment	4	1,23,94,128	80,81,921
Deposits	5	-	-
Other Current Assets	6	1,20,522	10,531
Total		1,25,14,650	80,92,452
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		1,24,69,367	80,91,625
(b) Number of units outstanding		10,00,355	6,71,434

The notes referred to above form an integral part of the financial Statements.



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I

SCHEDULES FORMING PART OF THE UN-AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MAR 2021

Schedule 1: Unit capital

Amount in Rupees

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		67,14,336	58,52,348
Add: Units issued during the period		49,58,311	34,95,439
Less: Units redeemed during the period		16,69,102	26,33,451
Outstanding at the end of the period		1,00,03,546	67,14,336
(Face Value of Rs 10/- each unit, fully paid up)		10.0000	10.0000
Outstanding units at the beginning of the period		6,71,434	5,85,235
Add: Units issued during the period		4,95,831	3,49,544
Less: Units redeemed during the period		1,66,910	2,63,345
Outstanding Units at the end of the period		10,00,355	6,71,434

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		7,13,297	5,24,761
Add: Premium on Units issued		11,42,555	6,19,831
Less: Premium on Units redeemed		3,79,117	4,31,295
Closing balance		14,76,734	7,13,297
General Reserve			
Opening balance		662071	2,19,841
Add/(Less): Transfer from/(to) Revenue Account		189111	4,42,230
Closing balance		851182	662071
Unrealised Appreciation Reserve			
Opening balance		1,921	67,858
Add/(Less): Transfer from/(to) Revenue Account		1,35,984	-65,937
Closing balance		1,37,906	1,921
Total		24,65,822	13,77,289



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I

SCHEDULES FORMING PART OF THE UN-AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MAR 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Redemption Payable		44,880	571
NPS charges payable		53	35
Management fees payable		327	221
Depository and settlement charges		65	-
Custody Charges Payable		-41	-
Total		45,283	827

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
AT1 Bonds		20,63,780	-
Mutual Fund Units		1,03,30,348	80,81,921
Total		1,23,94,128	80,81,921

Schedule 5: Deposits

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme A Tier I	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		46,487	10,531
Contracts for sale of investments		-	-
Interest accrued but not due		74,034	-
Total		1,20,522	10,531



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S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	12.0513	11.3883	Closing NAV as on 1st April of the Current F Y
	High	12.4776	12.0620	Highest NAV during the F Y
	Low	12.0513	11.3883	Lowest NAV during the F Y
	End	12.4649	12.0513	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)			
	End	124.69	80.92	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	97.38	67.54	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
3	Gross Income as % of AAUM	3.36%	6.56%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	0.03%	0.99%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	3.34%	5.57%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	22.30%	0.0%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%)* Compounded Annualised Yield			
	Last 1 Year	3.43%	5.82%	
	Last 3 Years	5.59%	NA	
	Last 5 Years	NA	NA	
	Since Launch of the scheme (15.05.2017)	5.82%	6.66%	CAGR = $\left(\frac{1 + \text{cumulative return}}{n} \right)^{\frac{1}{n}} - 1$ (where n=365/no. of days)

* Declared NAV; Returns calculated based on declared NAV



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 KFIN Technologies 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), KFIN Technologies 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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. 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 up to 60 days are valued at weighted average traded price on that day. When such securities are not traded on a 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 up to 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

b. 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.



c. 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.

d. 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)

e. 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

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

S.No	Type of Security/Instrument	Valuation methodology
1)	All Instruments/ Securities with residual maturity of more than 30 days	Traded Securities: The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs. Non-Traded Securities: The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs. Purchase of new securities:

		In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.
2)	Investment in "Additional Tier 1 (Basel III Compliant) Perpetual Bonds" [AT1 Bonds], ABS, MBS	The Investment in AT1 Bonds, ABS and MBS shall be valued at scrip level prices as above.
3)	All Instruments/ Securities with residual maturity of up to 30 Days	The securities will be valued by amortization on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, (presently $\pm 0.025\%$, i.e. ± 2.5 basis points) of the reference price provided by the valuation agency

Valuation policy for securities below investment grade (securities which were of investment grade at the time of purchase, but which have fallen below the investment grade):

In the cases of securities below BBB -, the same shall be valued as below:

- All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.
- All non-investment grade debt securities (other than Government securities) not covered above **shall be valued at the indicative haircut matrix or price provided by the valuation agency.** In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered

Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm. **Miscellaneous**

Valuation of Bank Fixed Deposits	To be valued at face value and amortized on a straight-line basis.
Investment in Units of "Real Estate	The investments in units of REIT/InvIT shall be valued on the basis of last closing price at the principal stock exchange (last closing price should not be later than 30 days).

Investment Trusts (REIT) & Infrastructure Investment Trusts (InvIT)"	If not traded on principal stock exchange, the closing price on any other stock exchange where units are traded will be used.
Alternate Investment Funds (AIF)	The investments in units of AIF shall be valued on the basis of last closing price at the principal stock exchange (last closing price should not be later than 30 days). If not traded on principal stock exchange, the closing price on any other stock exchange where units are traded will be used.

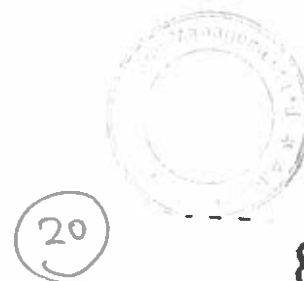
7.4 Income Recognition

- 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 charges nil Trustee fees with effect from 25th January 2019 per annum, in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated January 25, 2019, prior to that the Trustees fees were charged 0.005% per annum.

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 amounts 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 COMPANY LIMITED - SCHEME A TIER I
Notes to Accounts

8.1 Investments

8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021

Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2021		As on 31.03.2021		As on 31.03.2020		As on 31.03.2020	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealised Gain	0.01	1.40%	1.02	1.04	0.00	0.03%	0.81	0.81
Unrealised Loss	0.00	0.00%	0.21	0.21	-	0.00%	-	-
Net Unrealised Gain/Loss	0.01	1.40%	1.23	1.23	0.00	0.03%	0.81	0.81

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

Particular	A Tier I		A Tier I	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Average Net Asset Value	97.38	67.54		
Purchase of Investment	257	1,783		
% to average Net Asset Value	263.74%	2640.65%		
Sale of Investment	215	1,772		
% to average Net Asset Value	221.08%	2623.96%		

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)	FY 2019-20(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees pd	870.47	576.19

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	A Tier I	
	31.03.2021	31.03.2020
Investment management fees	1147.67	796.74



Balance with Aditya Birla Sun Life Pension management Ltd

Particular	A Tier I 31.03.2021	A Tier I 31.03.2020
Investment Management Fees payable	327.2	220.55

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 Reserve

Based on confirmation from CRA the number of units as at the year end are 1000355

Particular	As on 31.03.2021	As on 31.03.2020
NAV per unit (Rs)	12.4649	12.0513

8.9 Unit NAV

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

Amrkanika
Partner
Membership No. 31005



Manoj Rao
(Director)

S. C. Bhargava
(Director)

For Aditya Birla Sun Life Pension Management Company Limited



Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen
(Chairman, NPS Board)

Asish Kulkarni
(Chief Executive Officer)



V No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio	Ratings
090A08UB4	9.15% ICICI 20-March-2099 BASEL III (CALL OPT 20-JUNE-2023)	Monetary Intermediation of cor	1	10,24,973	8.22%	(ICRA)AA+
062A08199	9.45% SBI 22-March-2099 BASEL III (CALL OPT 22-MARCH-2024)	Monetary Intermediation of cor	1	10,38,807	8.33%	CRISIL AA+
	Subtotal A			20,63,780	16.55%	

	Money Market Instruments:-		Market Value	% of Portfolio	Ratings
	- Treasury Bills		Nil	-	
	- Money Market Mutual Funds		1,03,30,348	82.85%	
	- Certificate of Deposits / Commercial Papers		Nil	-	
	- Application Pending Allotment		Nil	-	
	- Bank Fixed Deposits (< 1 Year)		Nil	-	
	- Cash/ Cash Equivalent & Net Current Assets		46,487	0.37%	
	- Other Current Assets (Accrued Interest)		74,034	0.59%	
	Net Current assets		(45,284)	-0.36%	
	Sub Total B		1,04,05,586	83.45%	
	GRAND TOTAL (sub total A + sub total B)		1,24,69,366	100.00%	

Average Maturity of Portfolio (in yrs)	2.60
Modified Duration (in yrs)	2.19
Yield to Maturity (%) (annualised)(at market price)	7.89%
Net Asset Value	12.4649
Net asset value last month	12.4643
Total investment in Infrastructure	-
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil

CREDIT RATING EXPOSURE					
Securities			Market Value	% of Portfolio	Ratings
Central Govt. Securities					
State Development Loans					
AAA / Equivalent			-	-	
A1+ (For Commercial Paper)			-	-	
AA+ / Equivalent			20,63,780	16.55%	



INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of National Pension System Trust (NPS Trust) A/c Scheme E Tier II (the Scheme) managed by Aditya Birla Sun Life Pension Management Limited (PFM) which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the *surplus* of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no

realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E

Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABU4201

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME E TIER II

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Income			
Dividend		11,27,839	7,90,135
Profit on sale/redemption of investments		16,31,507	19,46,742
Unrealised gain on appreciation in investments		4,33,77,552	-
Miscellaneous income		6	-
Total Income (A)		4,61,36,904	27,36,877
Expenses & Losses			
Loss on sale/redemption of investments		25,30,364	16,13,801
Unrealised losses in value of investments		7,17,759	1,59,10,127
Management fees (including service tax)		10,694	6,247
NPS Trust fees		4,531	1,861
Custodian fees		2,895	1,900
Brokerage		-	-
CRA fees		24,773	17,246
Less : Amount recoverable on sale of units on account of CRA Charges		-24,773	-17,246
Stamp duty Charge		2,191	-
Debitory and settlement charges		410	474
Total Expenditure (B)		32,68,845	1,75,34,410
Surplus/(Deficit) for the year (A-B = C)		4,28,68,059	-1,47,97,533
Less: Amount transferred to Unrealised appreciation account		4,26,59,793	-1,59,10,127
Less: Amount transferred to General Reserve		2,08,266	11,12,594
Amount carried forward to Balance Sheet		-	



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	7,95,96,317	5,73,62,259
Reserve & Surplus	2	4,45,84,721	-43,77,841
Current Liabilities	3	8,25,924	1,75,935
Total		12,50,06,962	5,31,60,353
Assets			
Investment	4	12,41,09,265	5,28,93,183
Deposits	5	-	-
Other Current Assets	6	8,97,697	2,67,169
Total		12,50,06,962	5,31,60,353
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		12,41,81,038	5,29,84,417
(b) Number of units outstanding		79,59,632	57,36,226

The notes referred to above form an integral part of the financial Statements.



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		5,73,62,259	3,95,23,713
Add :Units issued during the period		6,06,22,515	4,39,34,503
Less: Units redeemed during the period		3,83,88,456	2,60,95,958
Outstanding at the end of the period		7,95,96,317	5,73,62,259
(Face Value of Rs.10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		57,36,226	39,52,371
Add :Units issued during the period		60,62,251	43,93,450
Less: Units redeemed during the period		38,38,846	26,09,596
Outstanding Units at the end of the period		79,59,632	57,36,226

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		81,83,176	59,41,029
Add: Premium on Units issued		1,84,38,755	74,45,358
Less: Premium on Units redeemed		1,23,44,251	52,03,209
Closing balance		1,42,77,679	81,83,176
General Reserve			
Opening balance		6,49,024	-4,63,570
Add/(Less): Transfer from/(to) Revenue Account		2,08,266	11,12,594
Closing balance		8,57,289	6,49,024
Unrealised Appreciation Reserve			
Opening balance		-1,32,10,041	27,00,086
Add/(Less): Transfer from/(to) Revenue Account		4,26,59,793	-1,59,10,127
Closing balance		2,94,49,752	-1,32,10,041
Total		4,45,84,721	-43,77,841



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Sundry creditors for expenses			
Redemption Payable		8,20,917	1,73,277
NPS charges payable		-720	-1,021
NSDL & SEBI Payable		343	362
Management fees payable		4,757	2,974
Custodial charges payable		627	344
Total		8,25,923	1,75,935

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Equity shares		11,63,36,288	5,07,93,185
Others - Mutual Fund Units		77,72,977	20,99,999
Total		12,41,09,265	5,28,93,183

Schedule 5: Deposits

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme E Tier II	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		8,76,847	2,60,730
Brokerage receivable from PFM		45,620	29,428
Receivable for sales invst		-45,620	-29,428
Others - Dividend receivable		20,849	6,439
Total		8,97,697	2,67,169



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S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	9.2368	12.1130	Closing NAV as on 1st April of the Current F Y
	High	16.2015	13.0275	Highest NAV during the F Y
	Low	8.7532	8.3050	Lowest NAV during the F Y
	End	15.6014	9.2368	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	1,241.81	529.84	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	907.06	529.96	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
3	Gross Income as % of AAUM	50.86%	5.16%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	3.60%	33.09%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	47.26%	-27.92%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	16.65%	39.30%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%) * Compounded Annualised Yield			
	Last 1 Year	68.90%	-23.47%	
	Last 3 Years	12.68%	NA	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$
	Last 5 Years	NA	NA	(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	12.09%	-2.70%	

* Declared NAV; Returns calculated based on declared NAV



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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 KFIN Technologies 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), KFIN Technologies 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.

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PFRDA has appointed the KFIN Technologies 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.



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. 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.

b. 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 earnings ratio of comparable traded securities and with an appropriate discount for lower liquidity.



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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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

S.No	Equity Instruments/ETFs	Valuation Methodology
1)	Securities traded on valuation day	As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange
2)	Securities not traded on valuation day	When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date
3)	Securities suspended for reasons other than corporate Actions	i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security. ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.
4)	Index Funds	Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV at 9:00 pm and PFs cut off time for NAV declaration is 8:00 pm

5)	Exchange Traded Funds	As per the closing price of the day of the respective stock exchange.
6)	IPO Application	1. IPO application money pending allotment at cost basis. 2. Post allotment but awaiting listing at allotment price.
7)	Valuation of Futures and Options	Options: i) If traded, then closing price to be considered ii) If not traded, then theoretical price based on Black Scholes Model may be considered. Futures: All futures shall be valued at the settlement price declared by the exchanges where they are traded in.
8)	Valuation of Warrants	a) Traded In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares. b) Non-traded If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.
9)	Valuation of Preference Shares	a) Traded Securities In case the convertible debentures qualify as traded then they would be valued as per the valuation guidelines applicable to equity shares and valued at cum-interest trade price. b) Thinly Traded / Non-Traded / Unlisted Securities Non-Convertible and Convertible components would be valued separately. i) Non-Convertible component would be valued on the basis of norms governing the valuation of Non- Convertible Debentures and Bonds. ii) Convertible component would be valued at the value of the equity share which would be obtained on conversion. Valuation guidelines related to equity shares would be applicable for the valuation of underlying equity shares
10)	Valuation of Rights	Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price. In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'. The above formula shall be used till the date of

		allotment. From the date of allotment, the security shall be valued at the exchange closing price.
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- Valuation of Shares on Merger, De-merger and Other Corporate Actions Events

S.No	Corporate Action Event	Valuation Methodology
1)	De-Merger	<p>i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.</p> <p>ii) In case shares of only one company are listed & traded on de-merger:</p> <ul style="list-style-type: none"> • Traded shares are to be valued at traded price • Valuation of the shares of other entity pending listing: The value of the entity pending listing/trading is to be estimated at using closing value of the pre-demerger entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps: <ul style="list-style-type: none"> a. Arrive at value / market cap of the pre-demerger entity using the closing price on the day before the demerger and the number of shares outstanding b. Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio c. Estimated value of the entity pending listing/trading post de-merger = 'a -b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.
2)	Merger	<p>In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange. In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of ending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity company 'C' is listed and traded on a stock exchange.</p>

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3)	Buy-back of Securities	Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.
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Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 cost on 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.



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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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.

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.



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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.



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

8.1 Investments
8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021

Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2021		As on 31.03.2021		As on 31.03.2020		As on 31.03.2020	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealised Gain	3.02	33.25%		8.50	0.00	0.00%	0.00	0.00
Unrealised Loss	0.07	0.79%		0.97	1.51	28.41%	5.61	4.11
Net Unrealised Gain/Loss	2.94			9.47	-1.51	-28.41%	5.61	4.11

8.6 Aggregate value of purchase and sale with percentage to average assets (Rs in lakhs)

Particular	E Tier II	
	31.03.2021	31.03.2020
Average Net Asset Value	907	530
Purchase of Investment	1,653	2,318
% to average Net Asset Value	183.29%	437.32%
Sale of Investment	1,369	2,110
% to average Net Asset Value	150.89%	398.09%



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

Name of related party	Nature of relationship	FY 2019-20(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	5937.5	3273.38

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	E Tier II 31.03.2021	E Tier II 31.03.2020
Investment management fees	10,694.23	6,246.93

Balance with Aditya Birla Sun Life Pension management Ltd

Particular	E Tier II 31.03.2021	E Tier II 31.03.2020
Investment Management Fees payable	4,756.73	2,973.55

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 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 7959632

8.9 Unit NAV

Particular	As on 31.03.2021	As on 31.03.2020
NAV per unit (Rs)	15.6014	9.2368

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray

Chartered Accountants

Firm Reg. No. 3010725

For Aditya Birla Sun Life Pension Management Company Limited

Anil Karrik
Partner
Membership No. 31005

Kamlesh Rao
(Director)

S.C.Bhargava
(Director)

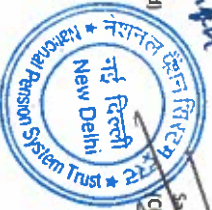
Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen
(Chairman, NPS Board)

Seeth Krishnan
(Chief Executive officer)



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No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio
137A01028	KOTAK MAHINDRA BANK LIMITED	Monetary intermediation of commercial banks, saving banks, postal savings bank and discount	1,998	35,02,494	2.82%
179A01074	AMBUJA CEMENTS LTD	Manufacture of clinkers and cement	800	2,47,080	0.20%
54A01025	ITC LTD	Manufacture of cigarettes, cigarette tobacco	14,353	31,36,131	2.53%
190A01021	ICICI BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings bank and discount	12,917	75,18,986	6.05%
85B01010	MARUTI SUZUKI INDIA LTD.	Manufacture of passenger cars	277	18,99,998	1.53%
162A01020	STATE BANK OF INDIA	Monetary intermediation of commercial banks, saving banks, postal savings bank and discount	8,598	31,32,251	2.52%
181A01012	TATA STEEL LIMITED.	Manufacture of hot-rolled and cold-rolled products of steel	300	2,43,555	0.20%
102A01018	RELIANCE INDUSTRIES LIMITED	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-crystalline	5,041	1,00,97,627	8.13%
130A01027	HINDUSTAN UNILEVER LIMITED	Manufacture of soap all forms	2,079	50,55,089	4.07%
101A01036	HOUSING DEVELOPMENT FINANCE CORPORATION	Activities of specialized institutions granting credit for house purchases that also take deposits	2,412	60,25,417	4.85%
118A01030	LARSEN AND TOUBRO LIMITED	Other civil engineering projects n.e.c.	3,375	47,88,788	3.86%
121A01026	ASIAN PAINTS LTD.	Manufacture of paints and varnishes, enamels or lacquers	893	22,65,898	1.82%
29A01019	GAIL (INDIA) LIMITED	Distribution and sale of gaseous fuels through mains	16,920	22,92,660	1.85%
144A01036	SUN PHARMACEUTICALS INDUSTRIES LTD	Manufacture of allopathic pharmaceutical preparations	2,808	16,78,622	1.35%
01A01026	MAHINDRA AND MAHINDRA LTD	Manufacture of motor vehicles n.e.c.	2,905	23,10,201	1.86%
52E01010	POWER GRID CORPORATION OF INDIA LIMITED	Transmission of electric energy	11,150	24,04,498	1.94%
166A01021	EICHER MOTORS LTD	Manufacture of motorcycles, scooters, mopeds etc. and their engine	400	10,41,580	0.84%
97D01024	BHARTI AIRTEL LTD.	Activities of maintaining and operating paging, cellular and other telecommunication network	6,048	31,28,630	2.52%
47C01014	PETRONET LNG LTD	Distribution and sale of gaseous fuels through mains	8,004	17,98,099	1.45%
163A01024	BHARAT ELECTRONICS LIMITED	Manufacture of data communications equipment, such as bridges, routers, and gateways	2,200	2,75,220	0.22%
06A01037	AUROBINDO PHARMA Limited	Manufacture of allopathic pharmaceutical preparations	100	88,130	0.07%
170A01015	Shree CEMENT LIMITED	Manufacture of clinkers and cement	48	14,14,339	1.14%
116A01026	Dabur India Limited	Manufacture of hair oil, shampoo, hair dye etc. (includes manufacture of shampoo, hair spray	2,900	15,67,450	1.26%
92A01025	Tata Consumer Products Limited	Processing and blending of tea including manufacture of instant tea	1,850	11,81,965	0.95%
65A01025	Bharat Forge Limited	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	3,000	17,87,850	1.44%
102A01024	Reliance Industry Right Issue Partly paid.	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-crystalline	264	2,87,892	0.23%
23W01016	SBI LIFE INSURANCE COMPANY LIMITED	Life Insurance	2,300	20,25,955	1.63%
76G01013	Blocon Limited	Manufacture of allopathic pharmaceutical preparations	2,300	9,40,470	0.76%
29A01011	Bharat Petroleum Corporation Limited	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other pr	4,010	17,16,080	1.38%
96A01024	Bajaj Finance Limited	Other financial service activities, except insurance and pension funding activities, n.e.c.	466	23,99,830	1.93%
80A01028	Titan Company Limited	Manufacture of jewellery of gold, silver and other precious or base metal/metal clad with prec	500	7,79,025	0.63%
89A01023	Dr. Reddy's Laboratories Limited	Manufacture of allopathic pharmaceutical preparations	334	15,08,344	1.21%
81C01011	UltraTech Cement Limited	Manufacture of clinkers and cement	465	31,33,147	2.52%
47C01014	TATA CONSULTANCY SERVICES LIMITED	Writing, modifying, testing of computer program to meet the needs of a particular client exc	1,608	51,09,983	4.11%
39A01016	AXIS BANK	Monetary intermediation of commercial banks, saving banks, postal savings bank and discount	4,015	28,00,262	2.25%
159A01026	NESTLE INDIA LTD	Manufacture of milk powder, ice-cream powder and condensed milk except baby milk food	65	11,15,738	0.90%
33E01010	CIPLA LIMITED	Manufacture of allopathic pharmaceutical preparations	2,355	19,19,561	1.55%
60A01027	NTPC LIMITED	Electric power generation by coal based thermal power plants	4,700	5,00,785	0.40%
09A01021	HCL Technologies Limited	Writing, modifying, testing of computer program to meet the needs of a particular client exc	3,190	31,34,654	2.52%
40A01034	INFOSYS LTD EQ	Writing, modifying, testing of computer program to meet the needs of a particular client exc	7,330	1,00,27,807	8.08%
38A01020	HDFC BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings bank and discount	6,600	98,58,090	7.94%
	HINDALCO INDUSTRIES LTD.	Manufacture of Aluminium from alumina and by other methods and products of aluminium a	600	1,96,110	0.16%
	Subtotal A			11,63,36,288	93.68%

Money Market Instruments	Market Value	% of Portfolio
- Treasury Bills	Nil	-
- Money Market Mutual Funds	77,72,977	6.26%
- Certificate of Deposits / Commercial Papers	Nil	-
- Application Pending Allotment	Nil	-
- Bank Fixed Deposits (< 1 Year)	Nil	-
- Cash/ Cash Equivalent & Net Current Assets	8,76,847	0.71%
- Other Current Assets (Accrued Interest)	-	-
Net Current assets	(8,05,074)	-0.65%
Sub Total B	78,44,751	6.32%
GRAND TOTAL (sub total A + sub total B)	12,41,81,039	100.00%

Average Maturity of Portfolio (in yrs)	-
Modified Duration (in yrs)	-
Yield to Maturity (%) (annualised)(at market price)	-
Net Asset Value	15,6014
Net asset value last month	15,4296
Total Investment in Infrastructure	3,30,40,475
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil

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INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme C Tier II (the Scheme)** managed by **Aditya Birla Sun Life Pension Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABX3604

Place: Mumbai
Date: 24 May 2021

Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME C TIER II

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Income			
Interest		36,00,152	27,33,572
Other income		34	-
Profit on sale/redemption of investments		1,11,506	3,68,825
Unrealised gain on appreciation in investments		4,13,796	8,78,941
Total Income (A)		41,25,487	39,81,338
Expenses & Losses			
Loss on sale of investments		-	2,17,600
Unrealised losses in value of investments		-	4,523
Management fees (including GST)		6,103	4,364
NPS Trust fees		2,586	1,307
Custodian fees		1,646	1,236
Brokerage		-	-
Stamp duty Charge		2,978	-
Depository and settlement charges		607	775
Other fees		36,344	35,329
Less: Amount recoverable on sale of units on account of CRA Charges		-36,344	-35,329
Total Expenditure (B)		13,919	2,29,806
Surplus/(Deficit) for the year (A-B = C)		41,11,569	37,51,532
Less: Amount transferred to Unrealised appreciation account		4,13,796	8,74,418
Less: Amount transferred to General Reserve		36,97,773	28,77,114
Amount carried forward to Balance Sheet		-	-



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	4,89,58,327	3,03,17,304
Reserve & Surplus	2	1,93,56,400	83,38,544
Current Liabilities	3	3,23,835	1,57,222
Total		6,86,38,562	3,88,13,070
Assets			
Investment	4	6,59,99,593	3,72,78,272
Deposits	5	-	-
Other Current Assets	6	26,38,968	15,34,798
Total		6,86,38,562	3,88,13,070
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		6,83,14,727	3,86,55,849
(b) Number of units outstanding		48,95,833	30,31,730

The notes referred to above form an integral part of the financial Statements.



NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		3,03,17,304	2,62,27,719
Add: Units issued during the period		7,48,68,727	6,98,81,907
Less: Units redeemed during the period		5,62,27,704	6,57,92,322
Outstanding at the end of the period		4,89,58,327	3,03,17,304
(Face Value of Rs 10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		30,31,730	26,22,772
Add: Units issued during the period		74,86,873	69,88,191
Less: Units redeemed during the period		56,22,770	65,79,232
Outstanding Units at the end of the period		48,95,833	30,31,730

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		25,66,717	18,10,126
Add: Premium on Units issued		2,68,41,423	1,52,61,730
Less: Premium on Units redeemed		1,99,35,136	1,45,05,139
Closing balance		94,73,004	25,66,717
General Reserve			
Opening balance		46,82,419	18,05,305
Add/(Less): Transfer from/(to) Revenue Account		36,97,773	28,77,114
Closing balance		83,80,193	46,82,419
Unrealised Appreciation Reserve			
Opening balance		10,89,408	2,14,990
Add/(Less): Transfer from/(to) Revenue Account		4,13,796	8,74,418
Closing balance		15,03,203	10,89,408
Total		1,93,56,400	83,38,544



NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Sundry creditors for expenses			
Redemption Payable		3,20,918	1,55,171
NPS charges payable		274	165
NSDL & SEBI Payable		281	260
Management fees payable		1,910	1,217
CBRIS charges payable		208	325
Custody charges payable		243	85
Total		3,23,835	1,57,222

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
NCDs		6,14,56,130	3,48,83,056
Others - Mutual Fund Units		45,43,463	23,95,216
Total		6,59,99,593	3,72,78,272

Schedule 5: Deposits

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme C Tier II	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		3,95,888	1,60,334
Interest accrued but not due		22,43,080	13,74,464
Sundry Debtors - Margin Money for Investments			
Total		26,38,968	15,34,798



S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	12.7530	11.4628	Closing NAV as on 1st April of the Current F Y
	High	13.9947	12.7732	Highest NAV during the F Y
	Low	12.4974	11.3626	Lowest NAV during the F Y
	End	13.9535	12.7504	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)			
	End	683.15	386.56	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	517.87	369.94	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
3	Gross Income as % of AAUM	7.97%	10.76%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	0.03%	0.62%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	7.94%	10.14%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	48%	21%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%)* Compounded Annualised Yield			
	Last 1 Year	9.44%	11.26%	
	Last 3 Years	9.42%	NA	CAGR = $\left(\frac{1 + \text{cumulative return}}{n} \right)^{1/n} - 1$
	Last 5 Years	NA	NA	(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	8.93%	8.75%	

* Declared NAV; Returns calculated based on declared NAV



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 KFIN Technologies 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), KFIN Technologies 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 KFIN Technologies 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.



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. 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 up to 60 days are valued at weighted average traded price on that day. When such securities are not traded on a 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 up to 60 days, then those shall be valued on amortisation basis, taking the coupon rate as floor.

b. 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.

c. 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.



d. 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)

e. 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

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

S.No	Type of Security/Instrument	Valuation methodology
1)	All Instruments/ Securities with residual maturity of more than 30 days	Traded Securities: The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs. Non-Traded Securities: The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs. Purchase of new securities: In case of new security purchased for which price is not available, such security

		shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.
2)	All Instruments/ Securities with residual maturity of up to 30 days	The securities will be valued by amortization on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, (presently $\pm 0.025\%$, i.e. ± 2.5 basis points) of the reference price provided by the valuation agency

Valuation policy for securities below investment grade (securities which were of investment grade at the time of purchase, but which have fallen below the investment grade):

In the cases of securities below BBB -, the same shall be valued as below:

- All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.
- All non-investment grade debt securities (other than Government securities) not covered above **shall be valued at the indicative haircut matrix or price provided by the valuation agency.** In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered

Valuation of Mutual Fund Units

- Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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.



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- 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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.

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.



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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 COMPANY LIMITED - SCHEME C TIER II
NOTE 8 Notes to Accounts

8.1 Investments
8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021		31-03-2021		31-03-2020	
Security particulars	no of shares/bonds	Cost	Market Value (Cr)	Cost	Market Value (Cr)
		0	0	0	0

8.4 As on the date of Balance sheet, the scheme does not have any investments which can be categorized as NPA		31-03-2021		31-03-2020	
Security particulars	Value of security	Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL	0	0	0	0	0

8.5 Aggregate Unrealised Gain/Loss as at the end of the Financial year and percentage to net assets.		As on 31.03.2020		As on 31.03.2021		As on 31.03.2020		As on 31.03.2020	
Particular	R\$ in Crs	% to AAUM	Cost	Market Value (Cr)	R\$ in Crs	% to AAUM	Cost	Market Value (Cr)	R\$ in Crs
Unrealised Gain	0.20	3.89%	4.24	4.44	0.13	3.58%	3.27	3.41	0.32
Unrealised Loss	0.05	0.99%	2.44	2.39	0.02	0.63%	0.35	0.32	3.73
Net Unrealised Gain/Loss	0.15	2.90%	6.68	6.83	0.11	2.94%	3.62	3.73	

8.6 Aggregate value of purchase and sale with percentage to average assets		C-Tier II		C-Tier II	
Particular	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2020
Average Net Asset Value	517.87	369.94			
Purchase of Investment	2.831	3.748			
% to average Net Asset Value	546.72%	1013.26%			
Sale of Investment	2.543	3.657			
% to average Net Asset Value	491.05%	988.51%			

8.7 Following are the transaction with Associates & Group companies under the scheme		Nature of relationship		FY 2020-21(Amt in R\$)		FY 2019-20(Amt in R\$)	
Name of related party	Management fees paid			4192.79		3147.29	
Aditya Birla Sun Life Pension Management Ltd							

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Investment management fees		C-Tier II		C-Tier II	
Particular	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2020
	6102.65	4363.82			
Balance with Aditya Birla Sun Life Pension management Ltd					
Particular	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2020
Investment Management Fees payable	1910.36	1216.53			

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Unit Capital
Units are created and redeemed based on the information 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 4895833

9 Unit NAV		
Particular	As on 31.03.2021	As on 31.03.2020
NAV per unit (Rs)	13.9536	12.7504

Details of sectional classification of investment has been appended as part of notes to accounts.

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

For Aditya Birla Sun Life Pension Management Company Limited

S.C. Bhargava
(Director)

Ramchandra Rao
(Director)

RAY & RAY
CHARTERED ACCOUNTANTS
Firm Reg. No. 301072E

Partner
Membership No. 31005

Place : Mumbai

Date :
For and on behalf of NPS Trust

Sh. Ajay Kumar
(Chairman, NPS Board)

Sashi Krishnan
(Chief Executive Officer)



No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio	Rating
774D08MK5	8%Mahindra Financial Services LTD NCD MD 24/07/2027	Other financial service activities, except insurance and pension fund	900	9,01,230	1.32%	IND AAA
906B07IH3	7.03% NHAI 2040 (Secured) 15-Dec-2040	Construction and maintenance of motorways, streets, roads, other vehicular	1	9,93,235	1.45%	ICRA/AAA
206D08162	9.18% Nuclear Power Corporation of India Limited 23-Jan-2029	Electric power generation and transmission by nuclear power plant	1	11,50,915	1.68%	CRISIL AAA
053F09EK4	8.68% IRFC 29 Nov 2021	Other credit granting	1	10,30,762	1.51%	ICRA/AAA
906B07FT4	7.27 % NHAI 06.06.2022	Construction and maintenance of motorways, streets, roads, other vehicular	1	10,32,453	1.51%	ICRA/AAA
848E07AW7	7.38%NHPC 03.01.2029	Electric power generation by hydroelectric power plants	10	20,70,926	3.03%	ICRA/AAA
261F08AD8	8.20% NABARD 09.03.2028 (GOI Service)	Other monetary intermediation services n.e.c.	1	10,81,650	1.58%	CRISIL AAA
752E07OB6	7.55% Power Grid Corporation 21 Sept. 2031	Transmission of electric energy	1	10,53,536	1.54%	ICRA/AAA
134E08KV1	7.75% Power Finance Corporation 11-Jun-2030	Other credit granting	1	10,48,529	1.53%	ICRA/AAA
296A07RO8	6% Bajaj Finance 24-Dec-2025	Other financial service activities, except insurance and pension fund	1	9,77,853	1.43%	CRISIL AAA
001A075W3	6.83% HDFC 2031 08-Jan-2031	Activities of specialized institutions granting credit for house purcha	2	19,82,574	2.90%	ICRA/AAA
053F07CS5	6.85% IRFC 29-Oct 2040	Other credit granting	1	9,85,889	1.44%	ICRA/AAA
906B08039	7.04% NHAI 21-09-2033	Construction and maintenance of motorways, streets, roads, other vehicular	1	10,02,663	1.47%	ICRA/AAA
148I07GK5	8.85% Indiabull Housing Finance 26.09.2026	Activities of specialized institutions granting credit for house purcha	400	2,42,113	0.35%	CARE AA
296A07RNO	6.92% Bajaj Finance 24-Dec 2030	Other financial service activities, except insurance and pension fund	2	19,38,050	2.84%	ICRA/AAA
261F08B32	7.69% Nabard 31-Mar-2032	Other monetary intermediation services n.e.c.	1	10,51,725	1.54%	CRISIL AAA
053F09GR4	8.80% IRFC BOND 03/02/2030	Other credit granting	1	11,43,523	1.67%	ICRA/AAA
733E07JB6	8.84% NTPC 4 Oct 2022	Electric power generation by coal based thermal power plants	1	10,59,703	1.55%	ICRA/AAA
115A07J58	8.48% LIC Housing 29 Jun 2026	Activities of specialized institutions granting credit for house purcha	2	21,65,782	3.17%	CRISIL AAA
134E08JP5	7.85% PFC 03.04.2028	Other credit granting	1	10,58,539	1.55%	ICRA/AAA
002A08534	9.05% Reliance Industries 17 Oct 2028	Manufacture of other petroleum n.e.c. (includes manufacture of pe	2	22,82,620	3.34%	ICRA/AAA
514E08AV5	9.25 % EXIM 18.04.2022	Other monetary intermediation services n.e.c.	1	10,49,745	1.54%	ICRA/AAA
062A08165	8.90% SBI Tier II 2 Nov 2028 Call 2 Nov 2023	Monetary intermediation of commercial banks, saving banks, posta	2	21,51,410	3.15%	CRISIL AAA
787H07057	9.41% India Infrastructure Finance Co Ltd 27 Jul 2037	Other monetary intermediation services n.e.c.	1	11,44,050	1.67%	CRISIL AAA
261F08AO5	8.47% NABARD GOI 31 Aug 2033	Other monetary intermediation services n.e.c.	1	11,35,424	1.66%	CRISIL AAA
001A07RT1	8.55% HDFC Ltd 27 Mar 2029	Activities of specialized institutions granting credit for house purcha	2	21,81,006	3.19%	ICRA/AAA
020B08AQ9	7.70% REC 10.12.2027	Other credit granting	1	10,57,776	1.55%	ICRA/AAA
261F08AV0	8.22% Nabard 13 Dec 2028 (GOI Service)	Other monetary intermediation services n.e.c.	1	10,89,663	1.60%	CRISIL AAA
535H08B60	9.30% Fullerton India Credit 25 Apr 2023	Other credit granting	1	10,41,410	1.52%	IND AA+
752E07OC4	7.36% PGC 17Oct 2026	Transmission of electric energy	2	21,00,328	3.07%	ICRA/AAA
053F07BT5	7.54% IRFC 29 Jul 2034	Other credit granting	1	10,51,208	1.54%	ICRA/AAA
115A07D51	9.00% LIC Housing 9 Apr 2023	Activities of specialized institutions granting credit for house purcha	1	10,69,658	1.57%	CRISIL AAA
733E07KL3	7.32% NTPC 17 Jul 2029	Electric power generation by coal based thermal power plants	1	10,36,091	1.52%	ICRA/AAA
733E07KA6	8.05% NTPC 5 May 2026	Electric power generation by coal based thermal power plants	1	10,85,276	1.59%	ICRA/AAA
115A07J58	9.80% L&T Finance 21 Dec 2022	Other financial service activities, except insurance and pension fund	1	10,56,756	1.55%	ICRA/AAA
134E08JB7	8.05% HDFC Ltd 22 Oct 2029	Activities of specialized institutions granting credit for house purcha	1	10,63,303	1.56%	ICRA/AAA
134E08CY2	8.70% PFC 14.05.2025	Other credit granting	2	21,86,172	3.20%	ICRA/AAA
115A07DT9	8.89% LIC Housing 25 Apr 2023	Activities of specialized institutions granting credit for house purcha	1	10,68,801	1.56%	CRISIL AAA
514E08E3	8.83% EXIM 03 NOV 2029	Other monetary intermediation services n.e.c.	1	11,33,034	1.66%	ICRA/AAA
121A08OA2	9.08% Cholamandalam Investment & Finance co. Ltd 23 11 2023	Other financial service activities, except insurance and pension fund	1	10,40,030	1.52%	ICRA/AA+
031A08G24	8.52% HUDCO 28 Nov 2028 (GOI Service)	Activities of specialized institutions granting credit for house purcha	1	11,09,494	1.62%	ICRA/AAA
235P07894	9.30% L&T INFRA DEBT FUND 5 Julv 2024	Other financial service activities, except insurance and pension fund	1	10,47,153	1.53%	ICRA/AAA
906B07ID2	6.98% NHAI 29 June 2035	Construction and maintenance of motorways, streets, roads, other vehicular	2	19,95,590	2.92%	ICRA/AAA
514E08EL8	8.15 % EXIM 05.03.2025	Other monetary intermediation services n.e.c.	1	10,83,912	1.59%	ICRA/AAA
296A07RA7	7.90% Bajaj Finance 10-Jan-2030	Other financial service activities, except insurance and pension fund	2	20,66,128	3.02%	CRISIL AAA
752E07KX8	7.93% PGC 20.05.2026	Transmission of electric energy	1	10,71,617	1.57%	ICRA/AAA
062A08Z31	6.80% SBI Basell Tier II 21 Aug 2035 Call 21 Aug 2030	Monetary intermediation of commercial banks, saving banks, posta	1	9,76,085	1.43%	CRISIL AAA
134E08JR1	8.67%PFC 19-Nov-2028	Other credit granting	1	11,10,738	1.63%	ICRA/AAA
	Subtotal A			6,14,56,128	89.96%	

Money Market Instruments	Market Value	% of Portfolio	Rating
Treasury Bills	NIL	-	
Money Market Mutual Funds	45,43,463	6.65%	
Certificate of Deposits / Commercial Papers	NIL	-	
Application Pending Allotment	NIL	-	
Bank Fixed Deposits (< 1 Year)	NIL	-	
Cash/ Cash Equivalent & Net Current Assets	3,95,888	0.58%	
Other Current Assets (Accrued Interest)	22,43,225	3.28%	
Net Current assets	(3,24,157)	-0.47%	
Sub Total B	68,58,420	10.04%	
GRAND TOTAL (sub total A + sub total B)	6,83,14,548	100.00%	

Average Maturity of Portfolio (In yrs)	7.37
Modified Duration (In yrs)	5.05
Yield to Maturity (%) (annualised)(at market price)	6.63%
Net Asset Value	13,9536
Net asset value last month	13,7496
Total Investment in Infrastructure	4,60,40,485
Total outstanding exposure to derivatives	NIL
Total NPA provided for	NIL

CREDIT RATING EXPOSURE	Market Value	% of Portfolio	Rating
Securities			
Central Govt. Securities			
State Development Loans			
AAA / Equivalent	5,91,32,575	86.56%	
A1+ (For Commercial Paper)			
AA+ / Equivalent	20,81,440	3.05%	
AA / Equivalent	2,42,113	0.35%	
AA- / Equivalent			

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INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of National Pension System Trust (NPS Trust) A/c Scheme G Tier II (the Scheme) managed by Aditya Birla Sun Life Pension Management Limited (PFM) which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 1st April, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements


As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAABZ2281

Place: Mumbai
Date: 24 May 2021

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Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME G TIER II

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II

AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Income			
Interest		49,69,794	29,19,228
Profit on sale/redemption of investments		5,21,441	3,29,162
Unrealised gain on appreciation in investments		-	23,56,590
Total Income (A)		54,91,235	56,04,980
Expenses & Losses			
Unrealised losses in value of investments		13,23,243	
Management fees (including service tax)		9,058	5,060
NPS Trust fees		3,838	1,563
Custodian fees		2,436	1,406
Brokerage		-	-
Stamp duty Charge		4,964	-
Depository and settlement charges		1,182	1,711
CRA fees		17,817	12,695
Less: Amount recoverable on sale of units on account of CRA Charges		-17,817	-12,695
Total Expenditure (B)		13,44,721	9,739
Surplus/(Deficit) for the year (A-B = C)		41,46,514	55,95,241
Less: Amount transferred to Unrealised appreciation account		-13,23,243	23,56,590
Less: Amount transferred to General Reserve		54,69,757	32,38,651
Amount carried forward to Balance Sheet		-	-



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Liabilities			
Unit Capital	1	8,03,35,662	4,26,56,739
Reserve & Surplus	2	2,82,55,518	1,10,31,161
Current Liabilities	3	6,17,701	23,30,233
Total		10,92,08,881	5,60,18,133
Assets			
Investment	4	10,63,07,047	5,23,92,353
Deposits	5	-	-
Other Current Assets	6	29,01,834	36,25,781
Total		10,92,08,881	5,60,18,133
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		10,85,91,180	5,36,87,900
(b) Number of units outstanding		80,33,566	42,65,674

The notes referred to above form an integral part of the financial Statements.



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 1: Unit capital

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Initial capital			
Unit Capital			
Outstanding at the beginning of the period		4,26,56,739	2,83,53,762
Add :Units issued during the period		11,21,13,982	7,24,83,940
Less: Units redeemed during the period		7,44,35,058	5,81,80,963
Outstanding at the end of the period		8,03,35,662	4,26,56,739
(Face Value of Rs.10/- each unit, fully paid up)		10.00	10.00
Outstanding units at the beginning of the period		42,65,674	28,35,376
Add :Units issued during the period		1,12,11,398	72,48,394
Less: Units redeemed during the period		74,43,506	58,18,096
Outstanding Units at the end of the period		80,33,566	42,65,674

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Unit premium reserve			
Opening balance		33,71,956	7,25,953
Add: Premium on Units issued		3,79,83,554	1,47,13,197
Less: Premium on Units redeemed		2,49,05,711	1,20,67,194
Closing balance		1,64,49,798.72	33,71,956
General Reserve			
Opening balance		48,60,924	16,22,273
Add/(Less): Transfer from/(to) Revenue Account		54,69,757	32,38,651
Closing balance		1,03,30,680	48,60,924
Unrealised Appreciation Reserve			
Opening balance		27,98,281	4,41,691
Add/(Less): Transfer from/(to) Revenue Account		-13,23,243	23,56,590
Closing balance		14,75,039	27,98,281
Total		2,82,55,518	1,10,31,161



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II

SCHEDULES FORMING PART OF THE AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MARCH 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Current liabilities & Provisions			
Redemption Payable		6,13,094	23,27,655
NPS charges payable		440	230
Management fees payable		2,951	1,545
Custody charges payable		593	186
NSDL & SEBI Payable		623	617
Total		6,17,701	23,30,233

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Government Securities		7,73,79,276	3,89,51,602
State Government Securities		2,06,69,134	1,08,70,699
Others - Mutual Fund Units		82,58,638	25,70,052
Total		10,63,07,047	5,23,92,353

Schedule 5: Deposits

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Deposits with scheduled banks		-	-
Total		-	-

Schedule 6: Other current assets

Particulars	Schedule	Scheme G Tier II	
		31st Mar 2021	31st Mar 2020
Balances with banks in current account		6,14,007	23,07,108
Sundry Debtors (margin money)		7,00,000	5,00,000
Service tax asset		-	-
Interest Accrued But Not Due-SDL		3,83,200	1,79,497
Interest accrude but not due G Sec		12,04,627	6,39,176
Total		29,01,834	36,25,781



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S. No.	Particulars	As at March 31, 2021	As at March 31, 2020	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.)*			NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	12.5884	10.9861	Closing NAV as on 1st April of the Current F Y
	High	13.7639	12.7708	Highest NAV during the F Y
	Low	12.3483	10.9061	Lowest NAV during the F Y
	End	13.5172	12.5860	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)			Closing AUM as on 31st March of the Current F Y
	End	1,085.91	536.88	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
	Average (AAUM)	768.99	429.30	
3	Gross Income as % of AAUM	7.14%	13.06%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	1.75%	0.02%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	0.01%	IM fees (Including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	5.39%	13.03%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	8.62%	16.38%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%)* Compounded Annualised Yield			
	Last 1 Year	7.40%	14.58%	
	Last 3 Years	10.30%	NA	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$
	Last 5 Years	NA	NA	(where n=365/no. of days)
	Since Launch of the scheme (09.05.2017)	8.04%	8.27%	

* Declared NAV; Returns calculated based on declared NAV



NPS TRUST ADITYA 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 KFIN Technologies 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), KFIN Technologies 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 KFIN Technologies Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.



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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



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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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

Valuation Policy followed till 31st December 2019 was as follows:

a. Securities traded at a stock exchange:

- Central Government, State Government, Treasury Bill securities are valued at the prices provided by valuation agency on the particular valuation day.
- Mutual fund units are valued based on the net asset value of the preceding day of the valuation date.

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 ICRA Analytics Limited (formerly known as ICRA Online Limited) and provided to ABSLPML on daily basis.

Valuation Policy followed from 1st January 2020 onwards is as follows:

Type of Security	Valuation Methodology
Securities with residual maturity of more than 30 days	The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.
Securities with residual maturity of upto 30 days	The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.



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Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.



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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.



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

8.1 Investments

8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021					
Security particulars	no of shares/bonds	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Security particulars	Value of security	31-03-2021		31-03-2020	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2021		As on 31.03.2021		As on 31.03.2020		As on 31.03.2020	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Purchase of Investment	0.25	3.29%	6.33	6.58	0.28	6.63%	4.74	5.02
Unrealised Gain	0.11	1.37%	4.39	4.26	0.00	0.00%	0.00	0.00
Unrealised Loss	0.15	1.92%	10.71	10.86	0.28	6.63%	2.86	2.92
Net Unrealised Gain/Loss								

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

Particular	G Tier II	
	31.03.2021	31.03.2020
Average Net Asset Value	768.99	429.30
Purchase of Investment	3.188	4.006
% to average Net Asset Value	414.57%	933.22%
Sale of Investment	2.634	3.796
% to average Net Asset Value	342.46%	884.12%

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)	FY 2019-20(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	6107.04	3514.82



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The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2020

Particular	G Tier II 31.03.2021	G Tier II 31.03.2020
Investment management fees	9057.73	5060.23

Balance with Aditya Birla Sun Life Pension management Ltd			
Particular	G Tier II 31.03.2021	G Tier II 31.03.2020	
Investment Management Fees payable	2950.69	1545.41	

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 Reserve

Based on confirmation from CRA the number of units as at the year end are 8033566

8.9 Unit NAV			
Particular	As on 31.03.2021	As on 31.03.2020	
NAV per unit (RS)	13.5172	12.5860	

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

Anil Karnik
Partner
Membership No. 31005

For Aditya Birla Sun Life Pension Management Company Limited
Kamlesh Rao
(Director)

S.C. Bhargava
(Director)

Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen
(Chairman, NPS Board)

Sashi Krishnan
(Chief Executive officer)



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ISIN No.	Name of the instrument	Industry	Quantity	Market Value	% of Portfolio
IN0020150044	8.13% GOI 22 June 2045	GOI	20,000	2318494	2.14%
IN0020050012	7.40% GOI 09.09.2035	GOI	89,000	9473186.7	8.72%
IN0020160100	6.57% GOI 2033 (MD 05/12/2033)	GOI	70,000	6931036	6.38%
IN0020160118	6.79% GS 26.12.2029	GOI	10,000	1021235	0.94%
IN0020190040	7.69% GOI 17.06.2043	GOI	10,000	1102059	1.01%
IN0020160068	7.06 % GOI 10.10.2046	GOI	20,000	2066602	1.90%
IN0020150051	7.73% GS MD 19/12/2034	GOI	39,400	4289588.32	3.95%
IN0020190024	7.62% GS 2039 (15-09-2039)	GOI	10,000	1084260	1.00%
IN0020170026	6.79% GSEC (15/MAY/2027) 2027	GOI	12,000	1237635.6	1.14%
IN0020070036	8.26% Government of India 02.08.2027	GOI	8,000	882676	0.81%
IN0020140078	8.17% GS 2044 (01-DEC-2044).	GOI	33,000	3825690	3.52%
IN0020150010	7.68% GS 15.12.2023	GOI	5,000	534630.5	0.49%
IN0020160019	7.61% GSEC 09.05.2030	GOI	68,000	7271206	6.70%
IN0020150077	7.72% GOI 26.10.2055.	GOI	7,000	787027.5	0.72%
IN0020070069	8.28% GOI 21.09.2027	GOI	30,000	3317163	3.05%
IN0020060045	8.33% GS 7.06.2036	GOI	11,000	1260767.2	1.16%
IN0020110063	8.83% GOI 12.12.2041	GOI	4,000	490168.8	0.45%
IN0020150028	7.88% GOI 19.03.2030	GOI	4,000	435399.2	0.40%
IN0020060086	8.28% GOI 15.02.2032	GOI	7,000	784029.4	0.72%
IN0020070044	8.32% GS 02.08.2032	GOI	10,000	1122327	1.03%
IN1920190098	7.23% Karnataka SDL06-Nov-2028	SDL	30,000	3084150	2.84%
IN2220150196	8.67% Maharashtra SDL 24 Feb 2026	SDL	10,000	1101323	1.01%
IN2220200264	6.63% MAHARASHTRA SDL 14-OCT-2030	SDL	20,000	1975018	1.82%
IN1520130072	9.50% GUJARAT SDL 11-SEP-2023.	SDL	20,000	2195028	2.02%
IN3120180036	8.15% Tamil Nadu SDL 9-May-28	SDL	11,000	1185578.9	1.09%
IN4520180204	8.38% Telangana SDL 2049	SDL	10,000	1173779	1.08%
IN1920180149	8.19% Karnataka SDL 2029	SDL	10,000	1078524	0.99%
IN3120180200	8.08% Tamilnadu SDL 26.12.2028.	SDL	35,000	3773917	3.48%
IN1020180411	8.39% ANDHRA PRADESH SDL 06.02.2031	SDL	10,000	1105735	1.02%
IN3120180010	SDL TAMIL NADU 8.05% 2028	SDL	10,000	1072982	0.99%
IN2220170103	7.33% MAHARASHTRA SDL 2027	SDL	12,000	1244642.4	1.15%
IN2020180039	8.33 % KERALA SDL 30.05.2028	SDL	10,000	1088337	1.00%
IN2020170147	8.13 % KERALA SDL 21.03.2028	SDL	1,900	204365.33	0.19%
IN3120150203	8.69% Tamil Nadu SDL 24.02.2026	SDL	3,500	385753.9	0.36%
IN0020140011	8.60% GS 2028 (02-JUN-2028)	GOI	18,500	2079466.6	1.91%
IN0020200245	6.22% GOI 2035 (16-Mar-2035)	GOI	74,600	7132252.36	6.57%
IN0020200153	05.77% GOI 03-Aug-2030	GOI	30,000.00	2884332	2.66%
IN0020080050	6.83% GOI 19-JAN-2039	GOI	50,000.00	5035010	4.64%
IN0020170174	7.17% GOI 08-Jan-2028	GOI	50,000.00	5231835	4.82%
IN0020100031	8.30% GS 02.07.2040	GOI	41,400.00	4781199.06	4.40%
	Subtotal A			9,80,48,409.77	90.29%

Money Market Instruments:	Market Value	% of Portfolio
- Treasury Bills	Nil	-
- Money Market Mutual Funds	82,58,637.55	7.61%
- Certificate of Deposits / Commercial Papers	Nil	-
- Application Pending Allotment	Nil	-
- Bank Fixed Deposits (< 1 Year)	Nil	-
- Cash/ Cash Equivalent & Net Current Assets	6,14,007.21	0.57%
- Other Current Assets (Accrued Interest)	15,87,836.56	1.46%
Net Current assets	82,287.43	0.08%
Sub Total B	1,05,42,769	9.71%
GRAND TOTAL (sub total A + sub total B)	10,85,91,179	100.00%

Average Maturity of Portfolio (in yrs)	12.74
Modified Duration (in yrs)	7.71
Yield to Maturity (%) (annualised)(at market price)	6.61%
Net Asset Value	13.5172
Net asset value last month	13.3305
Total investment in Infrastructure	-
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil

CREDIT RATING EXPOSURE	Market Value	% of Portfolio
Securities		
Central Govt. Securities	7,73,79,276	71.26%
State Development Loans	2,06,69,134	19.03%



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INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme Tax Saver Tier II (the Scheme)** managed by **Aditya Birla Sun Life Pension Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2021, and Revenue Account for the period 17th August, 2020 to 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Schedule VII of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015 (as amended) (the Regulations) 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 of March 31, 2021;
- b) in the case of the Revenue Account, of the surplus of the Scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we require your attention to the following:

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and hence have not been audited by us.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

The Board of Directors of PFM, in accordance with the the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with 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 principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no

realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements


As required by the Schedule VII to the Regulations, 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) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- 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 the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee.

Ray & Ray
Chartered Accountants
Firm Registration No. 301072E


Anil Karnik
Partner
M. No. 31005
UDIN: 21031005AAAACA1505

Place: Mumbai
Date: 24 May 2021

Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

NPS TRUST A/C ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

SCHEME TAX SAVER TIER II

**Financial Statements together with Auditors' Report
For the Financial year ended March 31, 2021**

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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME TAX SAVER TIER II

AUDITED REVENUE ACCOUNT FOR THE PERIOD 17th AUGUST 2020 31st MARCH 2021

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Income		
Dividend		213
Interest Income		5,482
Profit on sale/redemption of investments		882
Unrealised gain on appreciation in investments		-
Total Income (A)		6,576
Expenses & Losses		
Loss on sale/redemption of investments		-
Unrealised losses in value of investments		560
Management fees (including GST)		16
NPS Trust fees		7
Custodian fees		3
Stamp Duty Charges		19
Brokerage		-
CRA fees		-
Less : Amount recoverable on sale of units on account of CRA Charges		-
Depository and settlement charges		148
Total Expenditure (B)		753
Surplus/(Deficit) for the year (A-B = C)		5,823
Net Surplus/Deficit brought forward from previous year		
Less: Amount transferred to Unrealised appreciation account		-560
Less: Amount transferred to General Reserve		6,383
Amount carried forward to Balance Sheet		-



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME TAX SAVER TIER II

AUDITED BALANCE SHEET AS AT 31st MARCH 2021

Amount in Rupees

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Liabilities		
Unit Capital	1	7,20,211
Reserve & Surplus	2	18,511
Current Liabilities	3	138
Total		7,38,861
Assets		
Investment	4	6,88,681
Deposits	5	-
Other Current Assets	6	50,180
Total		7,38,861
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		7,38,723
(b) Number of units outstanding		72,021
©NAV per unit (a)/(b) (Rs.)		10.2570

The notes referred to above form an integral part of the financial Statements.



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME TAX SAVER TIER II

SCHEDULES FORMING PART OF THE UN-AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MAR 2021

Schedule 1: Unit capital

Amount in Rupees

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Initial capital		
Unit Capital		
Outstanding at the beginning of the period		0
Add :Units issued during the period		7,20,211
Less: Units redeemed during the period		0
Outstanding at the end of the period		7,20,211
(Face Value of Rs.10/- each unit, fully paid up)		10.0000
Outstanding units at the beginning of the period		0
Add :Units issued during the period		72,021
Less: Units redeemed during the period		0
Outstanding Units at the end of the period		72,021

Schedule 2: Reserves and surplus

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Unit premium reserve		
Opening balance		-
Add: Premium on Units issued		12,689
Less: Premium on Units redeemed		-
Closing balance		12,689
General Reserve		
Opening balance		0
Add/(Less): Transfer from/(to) Revenue Account		6383
Closing balance		6383
Unrealised Appreciation Reserve		
Opening balance		-
Add/(Less): Transfer from/(to) Revenue Account		-560
Closing balance		-560
Total		18,511



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NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT COMPANY LIMITED - SCHEME TAX SAVER TIER II

SCHEDULES FORMING PART OF THE UN-AUDITED YEARLY FINANCIAL STATEMENTS AS ON 31st MAR 2021

Schedule 3: Current liabilities and provisions

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Unrealised losses in value of investments		
NPS charges payable		4
Management fees payable		13
Depository and settlement charges		118
Custody Charges Payable		3
Total		138

* The Provision referred above is towards TDS payable on Custodian fees.

Schedule 4: Investments (Long Term and Short Term)

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Investments - Equity		1,00,090
Investments - Government Securities		5,52,949
Mutual Fund Units		35,642
Total		6,88,681

Schedule 5: Deposits

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Deposits with scheduled banks		-
Total		-

Schedule 6: Other current assets

Particulars	Schedule	Scheme TAX SAVER Tier II
		31st Mar 2021
Balances with banks in current account		41,758.30
Contracts for sale of investments		-
Interest accrued but not due		8,402
Brokerage receivable from PFM		29
Receivable for sale		-29
Others - Dividend receivable		20
Total		50,180



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S. No.	Particulars	As at March 31, 2021	Remarks/Formula/Method of Cal.
1	NAV Per Unit (Rs.) ^a		NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)
	Open	10.0000	Closing NAV as on 1st April of the Current F Y
	High	10.3053	Highest NAV during the F Y
	Low	9.9901	Lowest NAV during the F Y
	End	10.2570	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)		
	End	7.39	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	2.82	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
3	Gross Income as % of AAUM	2.33%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio		
a	Total Expense as % of AAUM (Scheme wise)	0.17%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.01%	1M fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	2.07%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	234.43%	Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAUM. (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)
7	Returns (%) ^a Compounded Annualised Yield		
	Last 1 Year	NA	
	Last 3 Years	NA	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$
	Last 5 Years	NA	(where n=365/no. of days)
	Since Launch of the scheme (15.08.2020)	0.65%	

^a Declared NAV; Returns calculated based on declared NAV



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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 KFIN Technologies 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), KFIN Technologies 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.



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PFRDA has appointed the KFIN Technologies 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 TAX SAVER 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.

PFRDA in exercise of its powers under sub-clause (b) of sub-section (2) of Sec 14 of the PFRDA Act, 2013, read with Regulation 15 and Regulation 43 of the PFRDA (Pension Fund) Regulations, 2015 issues these guidelines which shall be called as Valuation Policy guidelines, 2019. These guidelines shall supersede earlier guidelines/instructions issued in the matter with effect from 1st January 2020 and shall be followed henceforth.

In terms of the Government of India Notification No. 45 /2020/F. Ng.370142/26/2019TPL dated 7th July 2020, PFRDA issue the operating guidelines for National Pension Scheme Tier II- Tax Saver Scheme, 2020 (NPS - TTS).

It is a composite scheme with the following investment limits for the Pension Funds

Asset Class	Limits
Equity	10 % to 25%
Debt	Upto 90 %
Cash/Money Market/ Liquid MFs	Upto 5 %



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Valuation Policy:

S.No	Equity Instruments/ETFs	Valuation Methodology
1)	Securities traded on valuation day	As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange
2)	Securities not traded on valuation day	When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date
3)	Securities suspended for reasons other than corporate Actions	<p>i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security.</p> <p>ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.</p>
4)	Index Funds	Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV at 9:00 pm and PFs cut off time for NAV declaration is 8:00 pm
5)	Exchange Traded Funds	As per the closing price of the day of the respective stock exchange.
6)	IPO Application	<p>1. IPO application money pending allotment at cost basis.</p> <p>2. Post allotment but awaiting listing at allotment price.</p>
7)	Valuation of Futures and Options	<p>Options:</p> <p>i) If traded, then closing price to be considered</p> <p>ii) If not traded, then theoretical price based on Black Scholes Model may be considered.</p> <p>Futures:</p> <p>All futures shall be valued at the settlement price declared by the exchanges where they are traded in.</p>



8)	Valuation of Warrants	<p>a) Traded In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares.</p> <p>b) Non-traded If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.</p>
9)	Valuation of Preference Shares	<p>a) Traded Securities In case the convertible debentures qualify as traded then they would be valued as per the valuation guidelines applicable to equity shares and valued at cum-interest trade price.</p> <p>b) Thinly Traded / Non-Traded / Unlisted Securities Non-Convertible and Convertible components would be valued separately. i) Non-Convertible component would be valued on the basis of norms governing the valuation of Non-Convertible Debentures and Bonds. ii) Convertible component would be valued at the value of the equity share which would be obtained on conversion. Valuation guidelines related to equity shares would be applicable for the valuation of underlying equity shares</p>
10)	Valuation of Rights	<p>Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price.</p> <p>In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'.</p> <p>The above formula shall be used till the date of allotment. From the date of allotment, the security shall be valued at the exchange closing price.</p>

• Valuation of Shares on Merger, De-merger and Other Corporate Actions Events

S.No	Corporate Action Event	Valuation Methodology
1)	De-Merger	<p>i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.</p> <p>ii) In case shares of only one company are listed & traded on de-merger:</p>

		<ul style="list-style-type: none"> • Traded shares are to be valued at traded price • Valuation of the shares of other entity pending listing: The value of the entity pending listing/trading is to be estimated at using closing value of the pre-demerged entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps: a. Arrive at value / market cap of the pre-demerged entity using the closing price on the day before the demerger and the number of shares outstanding b. Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio c. Estimated value of the entity pending listing/trading post de-merger = 'a -b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.
2)	Merger	In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange. In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of ending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity company 'C' is listed and traded on a stock exchange.
3)	Buy-back of Securities	Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.

Debt Instruments	Valuation Methodology
Securities with residual maturity of more than 30 days	The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.
Securities with residual maturity	The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.



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Valuation of Mutual Fund Units

Mutual Fund Units Valued at latest NAV available on AMFI website. Presently, previous day's Scheme NAVs are being considered as Fund houses declare NAV at 9:00 pm and PFs declare it at 8:00 pm.

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 cost on 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.



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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 charges investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes) according to Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

7.7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1st August 2019 vide letter no 1/20/2015/NPST/11442 dated 26th Jul 2019. Prior to that Trustee Fees was charged at "Nil" w.e.f 25th January 2019 per annum, in terms of the National Pension Scheme Trust vide letter no. 1/20/2015/NPS dated January 25, 2019.

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.



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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 COMPANY LIMITED - SCHEME TAX SAVER TIER II
Notes to Accounts

8.1 Investments

8.2 All investments of the scheme are in the name of the NPS trust.

8.3 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, 2021			
Security particulars	no of shares/bonds	31-03-2021	
		Cost	Market Value (Cr)
NIL		0	0

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

Security particulars	Value of security	31-03-2021	
		Cost	Market Value (Cr)
NIL		0	0

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

Particular	As on 31.03.2021		As on 31.03.2021	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealised Gain	0.00	2.76%	0.04	0.04
Unrealised Loss	0.00	2.96%	0.04	0.04
Net Unrealised Gain/Loss	0.00	-0.20%	0.07	0.07

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

Particular	A Tier I	
	31.03.2021	
Average Net Asset Value	2.82	
Purchase of Investment	10	
% to average Net Asset Value	366.36%	
Sale of Investment	3	
% to average Net Asset Value	119.64%	
Interest Income		

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

Name of related party	Nature of relationship	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	3

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2021

Particular	A Tier I	
	31.03.2021	
Unrealised losses in value of investments	16.06	



Balance with Aditya Birla Sun Life Pension management Ltd

Particular	A Tier I
Investment Management Fees payable	31.03.2021 13.06

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 Reserve

Based on confirmation from CRA the number of units as at the year end are 72021

8.9 Unit NAV

Particular	As on 31.03.2021
NAV per unit (Rs)	10.2570

9 Details of sectoral classification of investment has been appended as part of notes to accounts.

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

As per our report of even date

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

Anil Karnik

Partner

Membership No. 31005

Place : Mumbai

Date :

For and on behalf of NPS Trust

Sh. Atanu Sen
(Chairman, NPS Board)

For Aditya Birla Sun Life Pension Management Company Limited

Karim Ravi
(Director)

S.C. Bhargava
(Director)

Sashi Krishnan
(Chief Executive officer)



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No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio	Ratings
009A01021	INFOSYS LTD EQ	Writing, modifying, testing of computer p	5.00	6840.25	0.93%	0
733E01010	NTPC LIMITED	Electric power generation by coal based th	50.00	5327.5	0.72%	0
059A01026	CIPLA LIMITED	Manufacture of allopathic pharmaceutical	4.00	3260.4	0.44%	0
089A01023	Dr. Reddy's Laboratories Limited	Manufacture of allopathic pharmaceutical	1.00	4516	0.61%	0
176B01034	Havells India Limited.	Manufacture of electricity distribution and	4.00	4201.6	0.57%	0
123W01016	SBI LIFE INSURANCE COMPANY LIMITED	Life insurance	4.00	3523.4	0.48%	0
298A01020	CUMMINS INDIA LIMITED	Manufacture of engines and turbines, exce	6.00	5517.9	0.75%	0
976G01028	RBL BANK LIMITED	Monetary intermediation of commercial b	20.00	4151	0.56%	0
040A01034	HDFC BANK LTD	Monetary intermediation of commercial b	5.00	7468.25	1.01%	0
062A01020	STATE BANK OF INDIA	Monetary intermediation of commercial b	12.00	4371.6	0.59%	0
752E01010	POWER GRID CORPORATION OF INDIA LIMITED	Transmission of electric energy	25.00	5391.25	0.73%	0
101A01026	MAHINDRA AND MAHINDRA LTD	Manufacture of motor vehicles n.e.c.	10.00	7952.5	1.08%	0
018A01030	LARSEN AND TOUBRO LIMITED	Other civil engineering projects n.e.c.	4.00	5675.6	0.77%	0
090A01021	ICICI BANK LTD	Monetary intermediation of commercial b	8.00	4656.8	0.63%	0
129A01019	GAIL (INDIA) LIMITED	Distribution and sale of gaseous fuels thro	37.00	5013.5	0.68%	0
397D01024	BHARTI AIRTEL LTD	Activities of maintaining and operating pag	10.00	5173	0.70%	0
079A01024	AMBUJA CEMENTS LTD	Manufacture of clinkers and cement	20.00	6177	0.84%	0
002A01018	RELIANCE INDUSTRIES LIMITED	Manufacture of other petroleum n.e.c. (in	3.00	6009.3	0.81%	0
030A01027	HINDUSTAN UNILEVER LIMITED	Manufacture of soap all forms	2.00	4863	0.66%	0
2020140011	8.60% GS 2028 (02-JUN-2028)	GOI	1,500.00	168605.4	22.82%	0
2020060078	8.24% GOI 15-Feb-2027	GOI	1,000.00	109972.3	14.89%	0
2020070036	8.26% Government of India 02.08.2027	GOI	1,000.00	110334.5	14.94%	0
2020160019	7.61% GSEC 09.05.2030	GOI	500.00	53464.75	7.24%	0
2020070069	8.28% GOI 21.09.2027	GOI	1,000.00	110572.1	14.97%	0
	Subtotal A			6,53,038.90	88.40%	

Assets	Market Value	% of Portfolio	Ratings
- Treasury Bills	Nil	-	
- Money Market Mutual Funds	35,642.17	4.82%	
- Certificate of Deposits / Commercial Papers	Nil	-	
- Application Pending Allotment	Nil	-	
- Bank Fixed Deposits (< 1 Year)	Nil	-	
- Cash/ Cash Equivalent & Net Current Assets	41,758.30	5.65%	
- Other Current Assets (Accrued Interest)	8,401.64	1.14%	
Net Current assets	(118.22)	-0.02%	
Sub Total A	85,684	11.60%	
GRAND TOTAL (sub total A)	7,38,723	100.00%	

Average Maturity of Portfolio (in yrs)	6.80
Modified Duration (in yrs)	5.15
Yield to Maturity (%) (annualised) at market price	6.32%
Net Asset Value	10,2570
Net asset value last month	10,1423
Total Investment in Infrastructure	32,590
Total outstanding exposure to derivatives	Nil
Total NPA provided for	Nil

6,53,038.90

CREDIT RATING EXPOSURE	Market Value	% of Portfolio	Ratings
Securities			
Central Govt. Securities	5,52,949	74.85%	



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