

Pension Funds

Aditya Birla Sun Life Pension Management Ltd.



**ADITYA BIRLA  
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

**ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED**

**ANNUL REPORT 2021-2022**

**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**

Aditya Birla Sun Life Pension Management Ltd.

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Correspondence & Registered Office:

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Elphinstone Road, Mumbai - 400 013

CIN: U66003MH2015PLC260801

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 31<sup>st</sup> Mar 2022.

During the year ended 31<sup>st</sup> Mar 2022, 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. As of December 2021, total AUM of ABSLI stood at Rs.5,91,141 million. ABSLI recorded a gross premium income of Rs. 80,661 million in 9M FY 2021-22 and registering a y-o-y growth of 23% in Gross Premium with Individual Business FYP at Rs 16,161 Mn. ABSLI has a nation-wide distribution presence through 340+ branches, 7 bancassurance partners, 6 distribution channels, over 70,000 direct selling agents, other Corporate Agents and Brokers and through its website. The company has over 14,000 employees and more than 18 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 23<sup>rd</sup> Feb 2016. It commenced its operation from 9<sup>th</sup> May 2017. The business has been issued fresh registration certificate dated 10<sup>th</sup> Dec 2021, by the PFRDA under new RFP 2020.

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 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 Union Budget surprised markets as Govt. of India printed a fiscal deficit of 6.9% (vs expectation of 6.5%) for FY22 and 6.4% for FY23 (vs expectation of 6%). The fiscal deficit numbers translate into massive borrowing numbers for the upcoming fiscal FY23 as net borrowing stands at INR 11.18tn (vs exp of INR 9-9.25tn) while gross borrowing amounts to a massive INR 14.95tn (vs exp of INR 12-12.25tn). On the monetary policy front, the RBI MPC's decision too came as a surprise to markets as the committee decided to keep key rates unchanged for now, citing concerns on growth, and emphasizing the need to keep monetary policy accommodative for as long as necessary, to support growth. Real GDP in 3QFY22 grew 5.4% (Consensus: 5.9%). The NSO revised FY2022E GVA growth estimate to 8.3% (8.6% in first advance estimate).

### **Global Economic Environment**

As 2022 continues to unfold, two major growth risks loom large against a backdrop of alarmingly high inflation. The first risk, centered in the US, is the prospect of a policy mistake as the Fed embarks on a tightening cycle to rein in inflation, which was already running at multi-decade highs before the unfortunate Russia-Ukraine conflict delivered a sizable commodity supply shock. Whether the Fed will be able to pull off a soft landing in such a challenging macro environment—or will instead end up triggering a recession—is a growing question. The second risk, centered in Europe, is the prospect that the Russia-Ukraine conflict deals a crippling economic blow given Europe's dependence on Russian energy, which could see Europe experience a stagflationary period of persistently higher inflation and low (or even negative) growth. How US and European policymakers navigate these risks, and their growth and market consequences, are "Top of Mind".

### **Market Outlook**

#### Equity

The Russia-Ukraine conflict has further exposed the vulnerabilities of the global supply chain which was still struggling to recover from the blows of the Covid-19 pandemic. The global trade is still woefully short of shipping containers & semiconductor chips among other things. Commodity prices too have been on an uptrend after bottoming out in March 2020 and have got a further leg-up this year (especially the energy commodities) due to the Russia-Ukraine conflict & sanctions on Russia. There is a risk of this spilling over to global food prices as well (natural gas is a key input for urea production). This relentless increase in commodity prices is feeding into global inflation & is a risk for global economic upcycle. From India's standpoint, the conflict has very little direct impact on its economy. However, since it fulfils most of its energy needs via imports, the flare-up in the international crude & natural gas prices entails a risk of increasing the twin deficits (fiscal deficit + current account deficit). While the corporates had taken price hikes over last year to take care of the rise in input cost, the current spike in commodity & energy prices would take a toll on the margins in the near term. Companies with stronger pricing power will be able to pass on the impact much better. History suggests geopolitical risks and global macro shocks have been a great time to invest in Indian equities. While higher crude & other commodity prices will weigh into demand & margin pressure in the near-term we should use

this market correction as an opportunity to increase allocation to equities & align it to long-term financial goals

#### Fixed Income

Bond market has been on a roller coaster ride in 2022 so far. The 10-year government bond yield which was hovering around 6.35% during December 2021, spiked to 6.95% (on February 4, 2022) in the aftermath of Union Budget; and is currently trading around 6.80%. The selling in the bond market can be attributed to – a) hawkish US FED policy projecting series of rate hikes and liquidity reduction b) rising crude oil and other commodity prices c) higher than expected fiscal deficit and market borrowings by the Central Government. Going ahead yields are likely to remain under pressure due to geo-political tension, global interest rate hike scenario, higher crude oil prices and inflation and we expected bond yields to rise gradually with the RBI pursuing a normalization of the monetary policy by reducing the liquidity surplus and hiking interest rates.

#### **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 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.234.48 crores	
NAV as on 31/03/2022	18.4118	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	17.65	20.66
3 Year	14.83	15.91
Since Inception	13.28	14.59

# BSE100 Total Return Index (TRI)

**Scheme C Tier I –Credit risk bearing fixed Income Instruments**

Date of Inception	May 9 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.112.01 crores	
NAV as on 31/03/2022	15.4202	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	6.45	6.44
3 Year	9.33	10.20
Since Inception	9.25	8.84

# NPS – Corporate Bond Index

**Scheme G Tier I –Government Securities**

Date of Inception	May 9 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.162.14 crores	
NAV as on 31/03/2022	14.6651	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	4.25	3.09
3 Year	8.82	8.12
Since Inception	8.13	7.32

# NPS – Government Securities Index

**Scheme A Tier I –Alternative Investment Funds (AIF)**

Date of Inception	May 15 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.1.95 crores	
NAV as on 31/03/2022	13.7885	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	10.62	NA
3 Year	6.58	NA
Since Inception	6.78	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 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.18.54 crores	
NAV as on 31/03/2022	18.3657	
Performance as on 31/03/2022: -		
Period	CAGR Return%*	
	Scheme	Benchmark <sup>#</sup>
1 Year	17.72	20.66
3 Year	15.01	15.91
Since Inception	13.22	14.59

# BSE100 Total Return Index (TRI)

**Scheme C Tier II –Credit risk bearing fixed Income Instruments**

Date of Inception	May 9 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs. 10.12 crores	
NAV as on 31/03/2022	14.8732	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	6.59	6.44
3 Year	9.07	10.20
Since Inception	8.45	8.84

# NPS – Corporate Bond Index

**Scheme G Tier II –Government Securities**

Date of Inception	May 9 <sup>th</sup> , 2017	
Fund size as on 31/03/2022	Rs.15.48 crores	
NAV as on 31/03/2022	14.1167	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	4.44	3.09
3 Year	8.72	8.12
Since Inception	7.30	7.32

# NPS – Government Securities Index

**Scheme Tax Saver Tier II**

Date of Inception	Oct 01 <sup>st</sup> , 2020	
Fund size as on 31/03/2022	Rs.0.27 crores	
NAV as on 31/03/2022	11.0995	
Performance as on 31/03/2022: -		
Period	CAGR Return%	
	Scheme	Benchmark <sup>#</sup>
1 Year	8.21	NA
Since Inception	2.15	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 AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited. – Scheme E- Tier I (“the Scheme”)**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as “PFM”) which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency (“CRA”) and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.

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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in Schedule 7.1.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100873

  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208ALOAEV5379

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, 2022**

**Aditya Birla Sun Life Pension Management Ltd.**

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**306012**

Correspondence & Registered Office:

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Jupiter Mill Compound, 841, Senapati Bapat Mar

Elphinstone Road, Mumbai - 400 013

CIN: U66000MH2015PLC260801



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_E\_TIER\_I  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	(In Rs.)	
		31st Mar 2022	31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	1,27,35,47,004	79,99,84,999
Reserves and Surplus	2	1,07,12,78,003	45,19,85,750
Current Liabilities and Provisions	3	26,55,873	28,34,603
<b>Total</b>		<b>2,34,74,80,880</b>	<b>1,25,48,05,352</b>
<b>Assets</b>			
Investments	4	2,33,32,90,811	1,25,13,57,442
Other Current Assets	5	1,41,90,069	34,47,909
<b>Total</b>		<b>2,34,74,80,880</b>	<b>1,25,48,05,351</b>
(a) Net assets as per Balance Sheets		2,34,48,25,007	1,25,19,70,748
(b) Number of units outstanding		12,73,54,700	7,99,98,500
Significant Accounting Policies	6		

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



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_E\_TIER\_J**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	31st Mar 2021 (In Rs.)
<b>Income</b>		
Dividend	1,96,51,401	1,11,82,418
Profit on sale/redemption of investments	4,87,44,779	1,50,17,922
Unrealised gain on appreciation in Investments	20,65,18,358	42,85,16,634
Other income	-	72
<b>Total Income (A)</b>	<b>27,49,14,539</b>	<b>45,46,97,047</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	2,13,561	92,99,910
Loss on sale/redemption of Investments	1,69,56,701	2,79,30,708
Management fees (including GST)	6,42,281	1,04,655
NPS Trust Fees	91,895	44,345
Custodian fees	51,159	28,711
Depository and settlement charges	6,840	3,858
Stamp Duty on Bond/Mutual Fund	-	19,498
CRA fees	9,28,421	7,70,543
Less: Amount recoverable by sale of units on account of CRA Charges	(9,28,421)	(7,70,543)
<b>Total Expenditure (B)</b>	<b>1,81,62,238</b>	<b>3,74,31,685</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>25,67,52,301</b>	<b>41,72,65,362</b>
Less: Amount transferred to Unrealised appreciation account	20,63,04,797	41,92,16,725
Less: Amount transferred to General Reserve	5,04,47,504	(19,51,363)
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	<b>31st Mar 2022</b>	<b>(In Rs.) 31st Mar 2021</b>
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	79,99,84,999	55,36,40,016
Add: Units Issued during the year	72,80,80,383	37,63,90,815
Less: Units redeemed during the year	(25,45,16,378)	(13,00,45,832)
<b>Outstanding at the end of the year (₹)</b>	<b>1,27,35,47,004</b>	<b>79,99,84,999</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	7,99,98,500	5,53,64,002
Add: Units Issued during the year	7,28,08,038	3,76,39,081
Less: Units redeemed during the year	(2,54,51,838)	(1,30,04,583)
<b>Outstanding Units at the end of the year</b>	<b>12,73,54,700</b>	<b>7,99,98,500</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	16,66,07,177	9,20,29,473
Add: Premium on Units Issued	55,10,24,838	12,02,21,519
Less: Premium on Units redeemed	(18,84,84,885)	(4,56,43,814)
<b>Closing Balance</b>	<b>62,91,47,130</b>	<b>16,66,07,177</b>
<b>General Reserve</b>		
Opening Balance	57,40,791	76,92,154
Add: Transfer from Revenue Account	5,04,47,504	(19,51,363)
<b>Closing Balance</b>	<b>62,45,27,295</b>	<b>57,40,791</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	27,96,37,782	(13,95,78,943)
Add/(Less): Transfer from/(to) Revenue Account	20,63,04,797	41,92,16,725
<b>Closing Balance</b>	<b>48,59,42,579</b>	<b>27,96,37,782</b>
<b>Total</b>	<b>1,07,12,78,003</b>	<b>45,19,85,750</b>

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	2,31,968	53,254
Redemption Payable	24,23,905	27,81,349
<b>Total</b>	<b>26,55,873</b>	<b>28,34,603</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	2,23,30,77,612	1,17,55,82,127
Others - Mutual Fund Units	10,02,13,198	7,57,75,314
<b>Total</b>	<b>2,33,32,90,811</b>	<b>1,25,13,57,442</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	1,39,18,122	32,46,610
Dividend Receivable	2,71,947	2,01,299
<b>Total</b>	<b>1,41,90,069</b>	<b>34,47,909</b>



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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

### 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 ICRA Analytics Ltd 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 1<sup>st</sup> January 2020 and shall be followed henceforth.

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)	<b>Exchange Traded Funds</b>	As per the closing price of the day of the respective stock exchange.
6)	<b>IPO Application</b>	1. IPO application money pending allotment at cost basis. 2. Post allotment but awaiting listing at allotment price.
7)	<b>Valuation of Futures and Options</b>	<b>Options:</b> i) If traded, then closing price to be considered ii) If not traded, then theoretical price based on Black Scholes Model may be considered. <b>Futures:</b> All futures shall be valued at the settlement price declared by the exchanges where they are traded in.
8)	<b>Valuation of Warrants</b>	<b>a) Traded</b> In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares. <b>b) Non-traded</b> 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)	<b>Valuation of Preference Shares</b>	<b>a) Traded Securities</b> 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>b) Thinly Traded / Non-Traded / Unlisted Securities</b> Non-Convertible and Convertible components would be valued separately. i) <b>Non-Convertible component</b> would be valued on the basis of norms governing the valuation of Non- Convertible Debentures and Bonds. ii) <b>Convertible component</b> 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)	<b>Valuation of Rights</b>	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.

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

S.No	Corporate Action Event	Valuation Methodology
1)	<b>De-Merger</b>	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. ii) In case shares of only one company are listed & traded on de-

		<p>merger:</p> <ul style="list-style-type: none"> <li>• Traded shares are to be valued at traded price</li> <li>• Valuation of the shares of other entity pending listing:</li> </ul> <p>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:</p> <p>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</p> <p>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</p> <p>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.</p>
2)	<b>Merger</b>	<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>
3)	<b>Buy-back of Securities</b>	<p>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.</p>

#### 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 10:00 pm.

#### 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

## 5 Units reconciliation

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

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## **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.

## **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.

## **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.

## **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.

## **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.

## **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.

NAME OF PENSION FUND  
SCHEME NAME  
MONTH

**ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED**  
Scheme E TIER I  
31st Mar 2022

SCHEME NAME	31st Mar 2022	Quantity	Market Value	% of Portfolio	
MONTH					
Notes 7					
ISIN No	Name of the Instrument	Industry / Sectoral Classification			
INE079A01024	AMBUIA CEMENTS LTD	Manufacture of clinkers and cement	37,750	11296687.5	0.48%
INE192A01025	Tata Consumer Products Limited	Processing and blending of tea including manufacture of instant tea	15,770	12259598	0.52%
INE073K01018	Sona BLW Predalton Forgings Limited	Manufacture of bearings, gears, gearing and driving elements	7,150	4858067.5	0.21%
INE465A01025	Bharat Forge Limited	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	22,165	15528799	0.66%
INE062A01020	STATE BANK OF INDIA	Monetary intermediation of commercial banks, saving banks, postal savings	1,44,950	71540072.5	3.05%
INE216A01030	Britannia Industries Limited	Manufacture of biscuits, cakes, pastries, rusks etc.	1,910	6124224	0.26%
INE002A01018	RELIANCE INDUSTRIES LIMITED	Manufacture of other petroleum n.e.c.	78,674	207286321.5	8.84%
INE123W01016	SBI LIFE INSURANCE COMPANY LIMITED	Life Insurance	17,060	19131937	0.82%
INE797F01032	Jubilant Foodworks Limited.	Restaurants without bars	7,525	6657162.5	0.28%
INE081A01012	TATA STEEL LIMITED.	Manufacture of other iron and steel casting and products thereof	22,185	29000232	1.24%
INE854D01024	United Spirits Limited	Manufacture of distilled, potable, alcoholic beverages	13,000	11548550	0.49%
INE585B01010	MARUTI SUZUKI INDIA LTD.	Manufacture of passenger cars	4,011	8328374.3	1.29%
INE012A01025	ACC Limited.	Manufacture of clinkers and cement	2,475	535491.25	0.23%
INE038A01020	HINDALCO INDUSTRIES LTD.	Manufacture of aluminium from alumina and by other methods and products	54,100	30809950	1.31%
INE91701010	Bajaj Auto Limited	Manufacture of motorcycles, scooters, mopeds etc. and their	1,620	5917860	0.25%
INE237A01028	KOTAK MAHINDRA BANK LIMITED	Monetary intermediation of commercial banks, saving banks, postal savings	35,057	61484719.45	2.62%
INE111A01025	Container Corporation of India Limited	Freight rail transport	13,750	9242067.5	0.39%
INE299U01018	Crompton Greaves Consumer Electricals	Manufacture of electric lighting equipment	24,850	9293900	0.40%
INE029A01011	Bharat Petroleum Corporation Limited	Production of liquid and gaseous fuels, illuminating oils, lubricating	60,575	21767626.25	0.93%
INE040A01034	HDFC BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings	1,34,632	168549161.2	7.19%
INE686F01025	United Breweries Limited	Manufacture of beer	4,700	7000845	0.30%
INE030A01027	HINDUSTAN UNILEVER LIMITED	Manufacture of soap all forms	29,157	59732488.05	2.55%
INE296A01024	Bajaj Finance Limited	Other credit granting	6,990	50747050.5	2.16%
INE280A01028	Titan Company Limited	Manufacture of jewellery of gold, silver and other precious or base metal	9,505	24106105.75	1.03%
INE021A01026	ASIAN PAINTS LTD.	Manufacture of paints and varnishes, enamels or lacquers	10,782	33208020.9	1.42%
INE089A01023	Dr. Reddy's Laboratories Limited	Manufacture of allopathic pharmaceutical preparations	4,515	19393956.75	0.83%
IN9397D01014	Bhardt Airtel partly Paid(14:1)	Activities of maintaining and operating paging	5,748	27592960	0.10%
INE009A01021	INFOSYS LTD EQ	Writing, modifying, testing of computer program	1,06,065	202250045.3	8.63%
INE481G01011	UltraTech Cement Limited	Manufacture of clinkers and cement	5,950	39283685	1.68%
INE467B01029	TATA CONSULTANCY SERVICES LIMITED	Computer consultancy	25,469	95252786.55	4.06%
INE860A01027	HCL Technologies Limited	Writing, modifying, testing of computer program	29,680	34540100	1.47%
INE238A01034	AXIS BANK	Monetary intermediation of commercial banks, saving banks, postal savings	74,260	56527999	2.41%
INE669C01036	TECH MAHINDRA LIMITED	Computer consultancy	17,600	26390320	1.13%
INE239A01016	NESTLE INDIA LTD	Manufacture of milk powder, ice-cream powder and condensed milk except	1,152	20022393.6	0.85%
INE095A01012	Indusind Bank Limited	Monetary intermediation of commercial banks, saving banks, postal savings	4,656	4355222.4	0.19%
INE271C01023	DLF Ltd	Real estate activities with own or leased property	30,950	11774927.5	0.50%
INE058A01026	CIPLA LIMITED	Manufacture of medicinal substances used in the manufacture of pharmaceuticals	24,670	25115289.5	1.07%
INE733E01010	NTPC LIMITED	Electric power generation by coal based thermal power plants	1,31,450	17745750	0.76%
INE101A01026	MAHINDRA AND MAHINDRA LTD	Manufacture of tractors used in agriculture and forestry	29,548	23831939.4	1.02%
INE245A01021	TATA POWER COMPANY LIMITED	Electric power generation by coal based thermal power plants	51,700	12338205	0.53%
INE849A01020	TRENT LTD	Retail sale of readymade garments, hosiery goods, other articles	9,750	12436125	0.53%
INE752E01010	POWER GRID CORPORATION OF INDIA LIMITED	Transmission of electric energy	82,320	17846976	0.76%
INE761H01022	PAGE INDUSTRIES LTD	Manufacture of all types of textile garments and clothing accessories	103	4448503.05	0.19%
INE018A01030	LARSEN AND TOUBRO LIMITED	Other civil engineering projects n.e.c.	42,136	74481700.4	3.18%
INE361B01024	DIV'S LABORATORIES LTD	Manufacture of allopathic pharmaceutical preparations	2,410	10608940.5	0.45%
INE203G01027	INDRAPRASTHA GAS	Distribution and sale of gaseous fuels through mains	10,120	3776278	0.16%
INE075A01022	WIPRO LTD	Writing, modifying, testing of computer program	35,300	20894070	0.89%
INE090A01021	ICICI BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings	2,29,716	167761594.8	7.15%
INE765G01017	ICICI LOMBARD GENERAL INSURANCE CO LTD	Non-life Insurance	3,550	4715465	0.20%
INE044A01036	SUN PHARMACEUTICALS INDUSTRIES LTD	Manufacture of medicinal substances used in the manufacture of pharmaceuticals	46,855	42860611.25	1.83%
INE795G01014	HDFC LIFE INSURANCE COMPANY LTD	Life Insurance	20,825	11208015	0.48%
INE226A01021	VOLTAS LTD	Manufacture of air-conditioning machines, including motor vehicles airconditioners	5,625	7005375	0.30%
INE129A01019	GAIL (INDIA) LIMITED	Manufacture of air-conditioning machines, including motor vehicles airconditioners	67,090	10442558.5	0.45%
INE91801018	BAJAJ FINSERV LTD	Distribution and sale of gaseous fuels through mains	1,329	22673338.05	0.97%
INE414G01012	MUTHOOT FINANCE LIMITED	Other credit granting	4,945	6581547.75	0.28%
INE628A01036	UPL LIMITED	Other credit granting	14,400	11082240	0.47%
INE016A01026	Dabur India Limited	Manufacture of insecticides, rodenticides, fungicides, herbicides	21,000	11260200	0.48%
INE001A01036	HOUSING DEVELOPMENT FINANCE CORPORATION	Manufacture of hair oil, shampoo, hair dye etc.	39,421	94231958.4	4.02%
INE208A01029	ASHOK LEYLAND LTD	Activities of specialized institutions granting credit for house purchases	1,13,700	13331325	0.57%
INE671A01010	Honeywell Automation India Ltd	Manufacture of commercial vehicles such as vans, lorries, over-the-road	250	9919200	0.42%
INE121A01024	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY	Manufacture of other electronic components n.e.c	15,130	10870148.5	0.46%
INE070A01015	Shree CEMENT LIMITED	Other credit granting	306	7353975.6	0.31%
INE066A01021	EICHER MOTORS LTD	Manufacture of other cement and plaster n.e.c	3,790	9312598.5	0.40%
INE155A01022	TATA MOTORS LTD	Manufacture of motorcycles, scooters, mopeds etc. and their	42,050	18239187.5	0.78%
INE154A01025	ITC LTD	Manufacture of commercial vehicles such as vans, lorries, over-the-road	2,23,720	56075418	2.35%
INE98A01020	CUMMINS INDIA LIMITED	Manufacture of cigarettes, cigarette tobacco	7,810	8757353	0.37%
INE397D01024	BHARTI AIRTEL LTD	Manufacture of engines and turbines, except aircraft, vehicle	67,732	50756798.4	2.16%
INE263A01024	BHARAT ELECTRONICS LIMITED	Activities of maintaining and operating paging	48,900	10308120	0.44%

Net Asset Value	18,411,800
Net asset value last month	18,296,500
Total investment in infrastructure	-
Total outstanding exposure to derivatives	-
Total NPA provided for	-

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NATIONAL PENSION SYSTEM TRUST  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_E\_TIER\_I

S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	15.6499	9.2901	Closing NAV as on 1st April of the Current F Y
	High	19.4019	18.2494	Highest NAV during the F Y
	Low	15.2857	8.6048	Lowest NAV during the F Y
	End	18.4118	15.6499	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	23,448.25	12,519.71	AUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
	Average (AAUM)	18,361.86	8,877.84	
3	Gross Income as % of AAUM	15%	51%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			Total Expenses = Total Expenses as per Revenue Account
a	Total Expense as % of AAUM (Scheme wise)	0.99%	4%	IM fees (including applicable Taxes) as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.05%	0.01%	
5	Net Income as a percentage of AAUM	14%	47%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	18.00%	18.24%	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	17.65%	68.64%	
	Bench Mark	20.66%	73.48%	
	Last 3 Years	14.83%	12.73%	
	Bench Mark	15.81%	13.73%	
	Since Launch of the scheme (15.05.2017)	13.28%	12.18%	CAGR = $\left( (1 + \text{cumulative return})^n \right)^{1/n} - 1$ (where n=365/no. of days)

\* Declared NAV, Returns calculated based on declared NAV



ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
NATIONAL PENSION SYSTEM TRUST  
Notes to Accounts

9 Investments

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

9.2 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, 2022

Security particulars	no of shares/bonds	31-03-2022		31-03-2021	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
	0	0	0	0	0

9.3 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	31-03-2022		31-03-2021	
		Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

9.4 Aggregate Unrealized Gains/Losses as at the end of the Financial year and percentage to net assets.

Particular	As on 31.03.2022		As on 31.03.2022		As on 31.03.2021		As on 31.03.2021	
	Rs in Crs	% to AAUM	Cost	Market Value (Cr)	Rs in Crs	% to AAUM	Cost	Market Value (Cr)
Unrealized Gain	50.65	27.58%	181.06	211.71	28.89	32.54%	84.93	113.82
Unrealized Loss	2.05		24.83	22.78	0.33	1.05%	12.30	11.37
Net Unrealized Gain/Loss	48.59		156.23	234.48	27.96	31.49%	97.23	125.18

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

Particular	31.03.2022		31.03.2021	
Average Net Asset Value	18,392	8.87%	15,735	
Purchase of Investment	11,483		177,493	
% to average Net Asset Value	62.54%		12,423	
Sale of Investment	3,305		138.93%	
% to average Net Asset Value	18.00%			

10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

Liabilities of related Party  
Grasim Industries Limited  
Aditya Birla Capital Limited  
Aditya Birla Sun Life Insurance Company Limited (100%)  
Aditya Birla Sun Life Pension Management Limited  
PFM

Relations  
Ultimate Holding Company of the PFM  
Intermediate Holding Company of the PFM  
Sponsor  
PFM

Following are the transactions with Associates & Group companies under the scheme

Name of related party	Nature of relationship	FY 2021-22 (Amt in Rs)		FY 2020-21 (Amt in Rs)	
		6.42.07	69.873		
Aditya Birla Sun Life Pension Management Ltd	Management fees paid				
Balance with Aditya Birla Sun Life Pension Management Ltd					
Name of Related Party		31.03.2022		31.03.2021	
Aditya Birla Sun Life Pension Management Limited		Investment management fees		8,42,281	
				1,04,655	
Particular		31.03.2022		31.03.2021	
Investment Management Fees payable		2020/04		34,782	

11 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 127354700

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	18.4118	15.6499

12 Unit NAV

13 Details of sectoral classification of investment has been appended as part of notes 8

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDAS & PAREEK LLP  
Chartered Accountants  
Firm Reg. No. 109262W

Gaurav Sarda  
Partner  
Membership No. 110308

Place : Mumbai  
Date : 24/06/2022

For and on behalf of NPS Trust



For Aditya Birla Sun Life Pension Management Company Limited



Vikas Seth  
(CEO)

S.C. Bhargava  
(Director)

Sh. Sashi Krishnan  
(Chief Executive officer)



Shri Dinesh Kumar Mehrotra

(Chairman, NPS Board)

MUMBAI

24<sup>th</sup> JUNE 2022



## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion`**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited – Scheme C- Tier I ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

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higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.

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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in Schedule 7.1.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208AL0CT138073

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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, 2022**

Aditya Birla Sun Life Pension Management Ltd.

+91 22 6723 9100

care.pensionfunds@adityabirlacapital.com | <https://pensionfund.adityabirlacapital.com>

Correspondence & Registered Office:

One World Center, Tower - 1, 16<sup>th</sup> Floor,

Jupiter Mill Compound, 84<sup>th</sup>, Sanapati Bapat Marg,

Elphinstone Road, Mumbai - 400 013

CIN: U66000MH2015PLC260001

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_I  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	(In Rs.)	
		31st Mar 2022	31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	72,64,16,718	37,75,44,129
Reserves and Surplus	2	39,37,29,087	16,93,84,461
Current Liabilities and Provisions	3	14,86,083	12,52,560
<b>Total</b>		<b>1,12,16,11,888</b>	<b>54,81,81,150</b>
<b>Assets</b>			
Investments	4	1,07,98,94,989	52,93,82,108
Other Current Assets	5	4,17,18,899	1,87,99,043
<b>Total</b>		<b>1,12,16,11,888</b>	<b>54,81,81,150</b>
(a) Net assets as per Balance Sheets		1,12,01,45,808	54,89,28,591
(b) Number of units outstanding		7,28,41,672	3,77,54,413
Significant Accounting Policies	6		

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





**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_C\_TIER\_I**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	31st Mar 2021 (In Rs.)
<b>Income</b>		
Interest	5,87,63,638	3,10,72,581
Profit on sale/redemption of investments	88,84,060	4,47,858
Unrealised gain on appreciation in investments	-	54,47,805
Other Income	-	102
<b>Total income (A)</b>	<b>6,56,47,698</b>	<b>3,69,88,147</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	1,44,16,791	-
Loss on sale/redemption of investments	6,03,290	-
Management fees (including GST)	4,04,060	50,407
NPS Trust Fees	42,792	21,359
Custodian fees	27,729	13,969
Depository and settlement charges	5,827	2,375
Stamp Duty on Bond/Mutual Fund	-	10,518
CRA fees	3,87,195	3,58,515
Less: Amount recoverable by sale of units on account of CRA Charges	(3,87,195)	(3,58,515)
<b>Total Expenditure (B)</b>	<b>1,55,00,489</b>	<b>98,627</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>5,01,47,209</b>	<b>3,68,69,520</b>
Less: Amount transferred to Unrealised appreciation account	(1,44,16,791)	54,47,805
Less: Amount transferred to General Reserve	6,45,64,000	3,14,21,714
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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## ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED

NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_I

## SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	37,75,44,129	28,48,40,288
Add: Units issued during the year	48,08,78,914	17,25,44,842
Less: Units redeemed during the year	(11,18,04,325)	(5,98,41,001)
<b>Outstanding at the end of the year (₹)</b>	<b>72,64,16,718</b>	<b>37,75,44,129</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	3,77,54,413	2,64,84,029
Add: Units Issued during the year	4,60,67,691	1,72,54,484
Less: Units redeemed during the year	(1,11,80,433)	(59,84,100)
<b>Outstanding Units at the end of the year</b>	<b>7,26,41,672</b>	<b>3,77,54,413</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	8,51,00,011	3,69,11,193
Add: Premium on Units issued	23,04,19,694	7,14,35,688
Less: Premium on Units redeemed	(5,82,22,277)	(2,32,46,870)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>25,92,97,428</b>	<b>8,51,00,011</b>
<b>General Reserve</b>		
Opening Balance	6,89,99,496	3,55,77,781
Add: Transfer from Revenue Account	6,45,64,000	3,14,21,714
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>13,15,63,497</b>	<b>6,69,99,496</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	1,72,84,954	1,18,37,148
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	(1,44,16,791)	54,47,805
<b>Closing Balance</b>	<b>28,68,162</b>	<b>1,72,84,954</b>
<b>Total</b>	<b>39,37,29,087</b>	<b>16,93,84,461</b>

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_J**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	1,18,108	23,572
Redemption Payable	13,49,974	12,28,988
<b>Total</b>	<b>14,68,083</b>	<b>12,52,560</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Debentures and Bonds Listed/Awaiting Listing	99,12,79,420	50,91,88,755
Others - Mutual Fund Units	8,86,15,569	2,01,95,353
<b>Total</b>	<b>1,07,98,94,989</b>	<b>52,93,82,108</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	59,76,120	13,42,090
Outstanding and accrued income	3,57,40,779	1,74,58,953
<b>Total</b>	<b>4,17,16,899</b>	<b>1,87,99,043</b>

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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

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### 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 ICRA Analytics Ltd 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 1 <sup>st</sup> January 2020 and shall be followed henceforth.	Type of Security/Instrument	Valuation methodology
S.No		

1)	<b>All Instruments/ Securities with residual maturity of more than 30 days</b>	<b>Traded Securities:</b> 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. <b>Non-Traded Securities:</b> The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs. <b>Purchase of new securities:</b> In case of new security purchased for which price is not available, such security shall be valued on the basis of <b>scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities)</b> at which the securities are purchased.
2)	<b>All Instruments/ Securities with residual maturity of up to 30 days</b>	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. $\pm 2.5$ 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 10:00 pm.

**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

## 5 Units reconciliation

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019, prior to that the Trustees fees were charged Nil per annum

## **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.

## **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.

## **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.

## **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.

## **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.

## **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_C\_TIER\_I

Note 7

S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	14.4865	13.1868	Closing NAV as on 1st April of the Current F Y
	High	15.4202	14.5515	Highest NAV during the F Y
	Low	14.4863	12.8303	Lowest NAV during the F Y
	End	15.4202	14.4865	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	11,201.46	5,469.29	AAUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
	Average (AAUM)	8,572.70	4,276.22	
3	Gross Income as % of AAUM	8%	9%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			Total Expenses = Total Expenses as per Revenue Account
a	Total Expense as % of AAUM (Scheme wise)	1.81%	0.02%	IM fees (including applicable Taxes) as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.05%	0.01%	
5	Net Income as a percentage of AAUM	5.85%	8.62%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	27.74%	42.05%	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	8.45%	8.86%	
	Bench Mark	6.44%	12.56%	
	Last 3 Years	9.33%	9.86%	
	Bench Mark	10.20%	10.52%	
	Since Launch of the scheme (15.05.2017)	9.25%	9.98%	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$ (where n=365/no. of days)

\* Declared NAV; Returns calculated based on declared NAV

700347

NAME OF PENSION FUND  
SCHEME NAME  
MONTH

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED  
Scheme C TIER I  
31st Mar 2022

ISIN	Name of Instrument	Industry / Sector Classification	Quantity	Market Value	% of Portfolio	Rating
INE235P07294	9.30% LAT INFRA DEBT FUND 5 July 2024	Other credit granting	9	942568	0.84%	ICRA/AAA
INE752E0717	9.64% POWER GRID CORPN OF INDIA LTD 31-May-2026	Transmission of electric energy	13	18348703.75	1.64%	ICRA/AAA
INE537P07430	9.25 % INDIA INFRADEBT 19.06.2023	Other monetary intermediation services n.e.c.	5	5183025	0.46%	ICRA/AAA
INE033F08122	6.92% RFL 29-Aug-2031	Other credit granting	20	19884340	1.78%	ICRA/AAA
INE134E08J01	7.10 % PFC 08.08.2022	Other credit granting	5	5044200	0.45%	ICRA/AAA
INE020E07052	9.02% IREDA 24 Sep 2025	Other credit granting	1	1073716	0.10%	CARE AA+(CE)
INE090607H67	7.49% NHAI 1 Aug 2029	Construction and maintenance of motorways, streets, roads, other vehicul	2	206504	0.18%	CRISIL AAA
INE261F08B47	7.41% NARAD(Non GOI) 18-July-2029	Other monetary intermediation services n.e.c.	49	50175557	4.48%	ICRA/AAA
INE020B08443	8.75% RURAL ELECTRIFICATION CORPORATION 12-July-2025	Construction and maintenance of motorways, streets, roads, other vehicul	21	20475863	1.83%	ICRA/AAA
INE090607H55	7.70% NHAI 13 Sep 2029	Other credit granting	19	21940548	1.96%	CRISIL AAA
INE01A07F93	8.44% HOUSING DEVELOPMENT FINANCE CORPORA 01-June-2026	Activities of specialized institutions granting credit for house purchases	1	10659180	0.95%	ICRA/AAA
INE51A08F165	8.96% HDFC Ltd 8 Aug 2023	Activities of specialized institutions granting credit for house purchases	2	2153970	0.19%	ICRA/AAA
INE733E07B86	07.62% EXPORT IMPORT BANK OF INDIA 01-Sept-2026	Electric power generation by coal based thermal power plants	50	52801750	4.71%	ICRA/AAA
INE01A08B7A7	07.70% LARSEN AND TOUBRO LTD 28-April-2023	Other monetary intermediation services n.e.c.	2	2400238	0.18%	ICRA/AAA
INE733E08163	05.45% NTPC 13-Oct-2025	Electric power generation by coal based thermal power plants	50	52329600	4.67%	ICRA/AAA
INE134E08C90	08.80% POWER FINANCE CORPORATION 15-Jan-2025	Other credit granting	50	49233950	4.40%	ICRA/AAA
INE090607F74	7.27 % NHAI 06.06.2022	Construction and maintenance of motorways, streets, roads, other vehicul	2	2142444	0.19%	ICRA/AAA
INE660A08Y6	8.45 % SUNDARAM FINANCE 21.02.2028	Financial leasing	5	502650	0.05%	ICRA/AAA
INE261F08B29	07.27% NARAD 14-Feb-2030	Other monetary intermediation services n.e.c.	7	7369362	0.67%	ICRA/AAA
INE134E08I95	7.85% PFC 03.04.2026	Other credit granting	2	2027748	0.18%	CRISIL AAA
INE752E07I43	9.25% PGC DEC 26	Transmission of electric energy	8	11266430	1.01%	ICRA/AAA
INE2060D170	09.18% NUCLEAR POWER CORPORATION OF INDIA LTD 23-Jan-2025	Transmission of electric energy	1	10931440	0.98%	CRISIL AAA
INE535H08553	11.40 % FULLERTON INDIA CREDIT CO LTD 28-Oct-2022	Other credit granting	8	8188864	0.73%	IND AA+
INE134E08I54	08.90% POWER FINANCE CORPORATION 15-03-2025	Other credit granting	7	7545776	0.67%	ICRA/AAA
INE033A08707	6.87% NHAI 14-April-2032	Other credit granting	50	49566900	4.43%	ICRA/AAA
INE48E07484	8.78% NHPC 11 Feb 2028	Construction and maintenance of motorways, streets, roads, other vehicul	20	21715940	1.94%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	40	4393616	0.39%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Electric power generation by hydroelectric power plants	20	54393200	4.86%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	50	54393200	4.86%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	6	6658872	0.59%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	37	4084851	3.58%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Manufacture of other petroleum n.e.c.	5	5495850	0.49%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Manufacture of other petroleum n.e.c.	4	4348708	0.39%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	25	26374000	2.35%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Monetary intermediation of commercial banks, saving banks, postal saving	6	6425424	0.57%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	8	8120664	0.73%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Electric power generation by coal based thermal power plants	1	1023583	0.09%	IND AA+
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	8	7959323	0.71%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Production of liquid and gaseous fuels, illuminating oils, lubricating	5	5684375	0.51%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	6	6212598	0.55%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	9	9567900	0.85%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	5	5338730	0.48%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	6	6553692	0.59%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	12	6379548	0.57%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	5	5178040	0.46%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	5	5171340	0.46%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	6	640032	0.57%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	1	1024594	0.09%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	1	13679549	1.22%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	13	1354024	1.20%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	3	10073538	0.90%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	5	5369855	0.48%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Construction and maintenance of motorways, streets, roads, other vehicul	40	8207712	0.73%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Electric power generation by hydroelectric power plants	25	24695025	2.20%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	130	14346007	1.28%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Electric power generation by hydroelectric power plants	1,300	1323772.4	0.12%	IND AA+
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other financial service activities, except insurance and pension funding act	5	5638610	0.50%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	7	7343028	0.66%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	1	1006735	0.09%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	17	17785327	1.59%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	1	97578	0.09%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Production of liquid and gaseous fuels, illuminating oils, lubricating	1	110848	0.10%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	4	4386072	0.39%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	2	2218594	0.20%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	1	1058426	0.09%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	100	10794000	0.96%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Electric power generation by hydroelectric power plants	1	1067472	0.10%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	8	6232715	0.56%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	10	9780710	0.87%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Monetary intermediation of commercial banks, saving banks, postal saving	9	8853300	0.79%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Monetary intermediation of commercial banks, saving banks, postal saving	5	5352930	0.48%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	1	1064534	0.10%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases	5	4955705	0.44%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Construction and maintenance of motorways, streets, roads, other vehicul	5	5325255	0.48%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	9	8851089	0.79%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	1	1041490	0.09%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	1	1041952	0.09%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other monetary intermediation services n.e.c.	53	56609916	5.05%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Monetary intermediation of commercial banks, saving banks, postal saving	6	6062448	0.54%	CRISIL AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	17	17632995	1.57%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Transmission of electric energy	16	17187184	1.53%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	3	2949255	0.26%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	5	5294800	0.47%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	5	5259615	0.47%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Financial leasing	5	5384555	0.48%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Other credit granting	14	15683208	1.27%	ICRA/AAA
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	Activities of specialized institutions granting credit for house purchases				
Subtotal A				99,12,79,419.15	88.50%	

ISIN	Name of Instrument	Market Value	% of Portfolio	Rating
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	88615569.01	7.91%	
INE033A08707	8.37% HUDCO GOI 23 Mar 2029 (GOI Service)	4,02,50,817.37	3.59%	
Sub Total B		12,88,66,386	11.50%	
GRAND TOTAL (sub total A + sub total B)		1,12,01,45,806	100.00%	

Average Maturity of Portfolio (in yrs)	5.55
Modified Duration (in yrs)	4.14
Yield to Maturity (%) (annualized) at market price	6.47%
Net Asset Value	15,42,02,020
Net asset value last month	15,76,58,700
Total investment in Infrastructure (Rs in Cr)	56.74
Total outstanding exposure to derivatives	-
Total NPA provided for	-

ISIN	Name of Instrument	Market Value	% of Portfolio	Rating
AAA / Equivalent		97,48,54,303	87.03%	
AA+ / Equivalent		1,54,18,381	1.38%	
AA / Equivalent		10,06,735	0.09%	

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**AARTYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**Notes to Accounts**

**9 Investments**

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

9.2 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, 2022

Security particulars	31-03-2022		31-03-2021	
	Cost	Market Value (Cr)	Cost	Market Value (Cr)
no of shares/bonds	0	0	0	0

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

Security particulars	31-03-2022		31-03-2021	
	Cost	Market Value (Cr)	Cost	Market Value (Cr)
Value of security	0	0	0	0
Nil				

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

Particular	As on 31.03.2022		As on 31.03.2021	
	Rs in Cr	% to AUM	Rs in Cr	% to AUM
Unrealised Gain	1.22	1.42%	4.95	4.70%
Unrealised Loss	0.53	1.05%	65.84	0.65%
Net Unrealised Gain/Loss	0.29	0.33%	112.01	4.05%

9.5 Aggregate value of purchases and sale with percentage to average assets (Rs in Lakhs)

Particular	31.03.2022	31.03.2021
	Rs in Cr	Rs in Cr
Average Net Asset Value	5,573	4,276
Purchase of Investment	1,442	6,092
% to average Net Asset Value	85%	189.01%
Sale of Investment	2,378	6,177
% to average Net Asset Value	27.74%	144.44%

10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

List of related Party	Relations
	Ultimate Holding Company of the PFM
Greens Industries Limited	Intermediate Holding Company of the PFM
Aditya Birla Capital Limited	Sponsor
Aditya Birla Sun Life Insurance Company Limited	PFM
Aditya Birla Sun Life Pension Management Limited	PFM

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

Name of related party	Nature of relationship	FY 2021-22(Amt in Rs)	
		FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	3,05,182	35,780

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

Particular	31.03.2022	31.03.2021
	Rs in Cr	Rs in Cr
Investment management fees	4,04,060	50,407
Balance with Aditya Birla Sun Life Pension management Ltd		
Particular	31.03.2022	31.03.2021
Investment Management Fees payable	98879	14647

11 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 72641672

12 Unit NAV	As on 31.03.2022	As on 31.03.2021
Particular	15.4202	14.4865
NAV per unit (Rs)		

13 Details of sectoral classification of investment has been appended as part of note 8

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDA & PAREEK LLP  
Chartered Accountants  
Firm Reg. No.108262W



Gaurav Sarda  
Partner  
Membership No.110226

Place : Mumbai

Date : 24/06/2022  
For and on behalf of NPS Trust

(Chairman, NPS Board)

Shri Dinesh Kumar Mehrotra



Sh. Sashi Krishnan  
(Chief Executive officer)

MUMBAI

For Aditya Birla Sun Life Pension Management Company Limited



Vikas Sethi  
(CEO)

Kamlesh Rao  
(Director)

S.C. Bhargava  
(Director)

24th JUNE 2022

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## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – Aditya Birla Sun Life Pension Fund Management Limited. – Scheme G- Tier I ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

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higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.

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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in schedule 7.1.

For **SARDA & PAREEK LLP**  
Chartered Accountants  
FRN no. 109262W/W100673

  
**Gaurav Sarda**  
Partner  
Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208ALNZRP1263

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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, 2022**

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_I  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	1,10,55,87,721	60,92,90,744
Reserves and Surplus	2	51,57,70,749	24,77,85,092
Current Liabilities and Provisions	3	22,36,766	13,39,269
<b>Total</b>		<b>1,82,35,95,258</b>	<b>85,84,15,105</b>
<b>Assets</b>			
Investments	4	1,56,53,52,012	83,88,12,494
Other Current Assets	5	5,82,43,244	1,96,02,610
<b>Total</b>		<b>1,62,35,95,256</b>	<b>85,84,15,105</b>
(a) Net assets as per Balance Sheets		1,62,13,58,470	85,70,75,836
(b) Number of units outstanding		11,05,58,772	8,09,29,074
Significant Accounting Policies	6		

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



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_G\_TIER\_I**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Income</b>		
Interest	8,16,14,370	4,23,28,831
Profit on sale/redemption of investments	1,14,86,582	40,75,033
Other income	-	78
<b>Total Income (A)</b>	<b>9,31,00,952</b>	<b>4,64,03,943</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	3,68,87,112	67,04,776
Loss on sale/redemption of investments	67,78,981	-
Management fees (including GST)	5,78,222	75,331
NPS Trust Fees	62,117	31,920
Custodian fees	41,058	20,808
Depository and settlement charges	36,937	7,608
Stamp Duty on Bond/Mutual Fund	-	19,835
CRA fees	5,79,420	5,18,482
Less: Amount recoverable by sale of units on account of CRA Charges	(5,79,420)	(5,18,482)
<b>Total Expenditure (B)</b>	<b>4,43,84,428</b>	<b>68,60,275</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>4,87,16,524</b>	<b>3,95,43,667</b>
Less: Amount transferred to Unrealised appreciation account	(3,88,87,112)	(67,04,776)
Less: Amount transferred to General Reserve	8,56,03,636	4,82,48,443
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_I**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

		(In Rs.)
	31st Mar 2022	31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	60,92,90,744	37,03,69,429
Add: Units Issued during the year	66,98,87,325	29,86,58,422
Less: Units redeemed during the year	(19,35,90,348)	(5,97,37,107)
<b>Outstanding at the end of the year (₹)</b>	<b>1,10,55,87,721</b>	<b>60,92,90,744</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	6,09,29,074	3,70,38,943
Add: Units Issued during the year	6,89,88,732	2,98,65,842
Less: Units redeemed during the year	(1,93,59,035)	(59,73,711)
<b>Outstanding Units at the end of the year</b>	<b>11,05,58,772</b>	<b>6,09,29,074</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	14,09,69,365	4,68,59,437
Add: Premium on Units Issued	30,51,59,817	11,67,33,487
Less: Premium on Units redeemed	(8,58,90,683)	(2,26,23,559)
<b>Closing Balance</b>	<b>36,02,38,499</b>	<b>14,09,69,365</b>
<b>General Reserve</b>		
Opening Balance	8,51,78,381	3,89,29,938
Add: Transfer from Revenue Account	8,58,03,636	4,62,48,443
<b>Closing Balance</b>	<b>17,07,82,017</b>	<b>8,51,78,381</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	2,16,37,345	2,83,42,121
Add/(Less): Transfer from/(to) Revenue Account	(3,68,87,112)	(67,04,776)
<b>Closing Balance</b>	<b>(1,52,49,767)</b>	<b>2,16,37,345</b>
<b>Total</b>	<b>51,57,70,749</b>	<b>24,77,85,092</b>

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_I**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	1,74,398	36,034
Redemption Payable	13,62,388	13,03,235
<b>Total</b>	<b>22,36,786</b>	<b>13,39,269</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Debentures and Bonds Listed/Awaiting Listing	32,85,825	33,27,324
Central and State Government Securities (Including treasury bills)	1,50,43,99,070	77,04,32,835
Others - Mutual Fund Units	5,76,67,117	6,50,52,335
<b>Total</b>	<b>1,56,53,52,012</b>	<b>83,88,12,494</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	3,17,51,093	12,92,860
Outstanding and accrued income	2,64,92,152	1,30,09,750
Sundry Debtors	-	53,00,000
<b>Total</b>	<b>5,82,43,244</b>	<b>1,96,02,610</b>

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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

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### 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 ICRA Analytics Ltd 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 1<sup>st</sup> January 2020 and shall be followed henceforth.

Type of Security	Valuation Methodology
<b>Securities with residual maturity of more than 30 days</b>	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.
<b>Securities with residual maturity of upto 30 days</b>	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 10:00 pm.

### 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.

## 5 Units reconciliation

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_G\_TIER\_I

Note 7

S. No.	Particulars	31st Mar 2022	31st Mar 2021	Remarks/Formule/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	14.0668	13.0640	Closing NAV as on 1st April of the Current F Y
	High	14.7426	14.3196	Highest NAV during the F Y
	Low	14.0693	12.8401	Lowest NAV during the F Y
	End	14.8651	14.0668	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	18,213.58	8,570.78	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	12,443.08	8,383.08	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	7.48%	7.26%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	3.57%	1.07%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.05%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	3.92%	6.18%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	79.66%	9.86%	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	4.25%	7.53%	
	Bench Mark	3.08%	6.04%	
	Last 3 Years	8.82%	10.50%	
	Bench Mark	8.12%	9.84%	
	Since Launch of the scheme (15.05.2017)	8.13%	9.15%	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$ (where n=365/no. of days)

\* Declared NAV: Returns calculated based on declared NAV

## NAME OF PENSION FUND

SCHEME NAME

MONTH

Note 8

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

Scheme G TIER I

31st Mar 2022

ISIN No.	Name of the Instrument	Industry /Sector	Quantity	Market Value	% of Portfolio	Ratings
IN0020040039	7.50% GOI 10-Aug-2034	GOI	1,00,000	10348390	0.64%	-
IN0020070044	8.32% GS 02.08.2032	GOI	32,000	3496950.4	0.22%	-
IN0020110063	8.83% GOI 12.12.2041	GOI	59,000	6910021	0.43%	-
IN0020150077	7.72% GOI 26.10.2055	GOI	63,000	6643035	0.41%	-
IN0020140078	8.17% GS 2044 (01-DEC-2044)	GOI	3,05,500	33816528.2	2.09%	-
IN0020190024	7.62% GS 2039 (15-09-2039)	GOI	28,300	2949230.73	0.18%	-
IN0020190040	7.69% GOI 17.06.2043	GOI	1,70,000	17882980	1.10%	-
IN0020020106	7.95% GOI 28-Aug-2032	GOI	11,87,000	126880329.2	7.83%	-
IN0020060078	8.24% GOI 15-Feb-2027	GOI	2,73,000	29509662	1.82%	-
IN0020170174	7.17% GOI 08-Jan-2028	GOI	55,000	5665033	0.35%	-
IN0020150010	7.68% GS 15.12.2023	GOI	55,000	5735955.5	0.35%	-
IN0020050012	7.40% GOI 09.09.2035	GOI	74,600	7625970.08	0.47%	-
IN0020160068	7.06 % GOI 10.10.2046	GOI	3,64,700	35941403.82	2.22%	-
IN0020060045	8.33% GS 7.06.2036	GOI	7,22,400	80002188	4.93%	-
IN0020150028	7.88% GOI 19.03.2030	GOI	6,62,200	70325640	4.34%	-
IN0020060086	8.28% GOI 15.02.2032	GOI	7,98,600	87218140.68	5.38%	-
IN0020150069	7.59% GOI 20.03.2029	GOI	2,03,000	21228664.1	1.31%	-
IN0020030014	6.30% GOI 09.04.2023	GOI	34,400	3496618.96	0.22%	-
IN0020070069	8.28% GOI 21.09.2027	GOI	1,00,000	10840730	0.67%	-
IN0020160019	7.61% GSEC 09.05.2030	GOI	10,60,000	110971294	6.84%	-
IN0020070036	8.26% Government of India 02.08.2027	GOI	3,73,500	40375350	2.49%	-
IN0020150051	7.73% GS MD 19/12/2034	GOI	60,600	6363648.42	0.39%	-
IN0020160118	6.79% GS 26.12.2029	GOI	11,35,300	113558496	7.00%	-
IN0020160100	6.57% GOI 2033 (MD 05/12/2033)	GOI	11,39,900	109731561.6	6.77%	-
IN0020200153	05.77% GOI 03-Aug-2030	GOI	1,40,000	13118042	0.81%	-
IN3120180184	8.36% Tamil Nadu SDL 12.12.2028	SDL	4,00,000	42837720	2.64%	-
IN1920190056	07.15% KARNATAKA SDL 09-Oct-2028	SDL	30,000	3037209	0.19%	-
IN1520180200	8.50% GUJARAT SDL 28.11.2028	SDL	80,000	8623792	0.53%	-
IN2020180021	8.32% Kerala SDL 25-April-2030	SDL	1,30,000	13934999	0.86%	-
IN1520170243	8.26% Gujarat 14march 2028	SDL	50,000	5331705	0.33%	-
IN1520170169	07.75% GUJARAT SDL 10-JAN-2028	SDL	17,500	1822877	0.11%	-
IN1920190098	7.23% Karnataka SDO6-Nov-2028	SDL	1,20,000	12167832	0.75%	-
IN2220150196	8.67% Maharashtra SDL 24 Feb 2026	SDL	30,000	3254421	0.20%	-
IN2220200264	6.63% MAHARASHTRA SDL 14-OCT-2030	SDL	1,90,000	18458994	1.14%	-
IN1520130072	9.50% GUJARAT SDL 11-SEP-2023	SDL	65,000	6882492.5	0.42%	-
IN2220200017	7.83% MAHARASHTRA SDL 2030 ( 08-APR-2030 ) 2030	SDL	1,00,000	10440090	0.64%	-
IN4520180204	8.38% Telangana SDL 2049	SDL	60,000	6674352	0.41%	-
IN1020180411	8.39% ANDHRA PRADESH SDL 06.02.2031	SDL	55,000	5925397.5	0.37%	-
IN1920180156	8.22 % KARNATAK 30.01.2031	SDL	90,000	9608544	0.59%	-
IN3120180010	SDL TAMIL NADU 8.05% 2028	SDL	2,41,000	25461047.5	1.57%	-
INE261F08AJS	8.65% Nabard (GOI Service) 8 Jun 2028	Bonds	3	3285825	0.20%	CRISIL AAA
IN2020180039	8.33 % KERALA SDL 30.05.2028	SDL	55,000	5882585.5	0.36%	-
IN2020170147	8.13 % KERALA SDL 21.03.2028	SDL	1,56,600	16595966.88	1.02%	-
IN1920170157	8.00% Karnataka SDL 2028 (17-JAN-2028)	SDL	37,000	3898072.1	0.24%	-
IN3120150203	8.69% Tamil Nadu SDL 24.02.2026	SDL	10,500	1139763.45	0.07%	-
IN0020120062	8.30% GOI 31-Dec-2042	GOI	2,00,000	22382540	1.38%	-
IN0020210244	6.54% GOI 17-Jan-2032	GOI	5,00,000	49009950	3.02%	-
IN0020210152	06.67 GOI 15 DEC- 2035	GOI	14,00,000	134431500	8.29%	-
IN0020210020	6.64% GOI 16-June-2035	GOI	5,00,000	47876100	2.95%	-
IN0020020247	6.01% GOVT 25-March-2028	GOI	75,100	7320207.28	0.45%	-
IN0020140011	8.60% GS 2028 (02-JUN-2028)	GOI	1,24,000	13615274.4	0.84%	-
IN0020160092	6.62% GOI 2051 (28-NOV-2051) 2051	GOI	3,00,000	27672570	1.71%	-
IN0020200245	6.22% GOI 2035 (16-Mar-2035)	GOI	4,25,400	39477205.08	2.43%	-
Subtotal A				1,50,76,84,894.89	92.99%	

Money Market Instruments:-		Market Value	% of Portfolio	Ratings
- Treasury Bills				
- Money Market Mutual Funds				
- Certificate of Deposits / Commercial Papers		57667116.83	3.56%	
- Application Pending Allotment				
- Bank Fixed Deposits (< 1 Year)				
NCA				
Net Current assets		56006457.17	3.45%	
Sub Total B		11,36,73,575	7.01%	
GRAND TOTAL (sub total A + sub total B)		1,62,13,58,470	100.00%	

Average Maturity of Portfolio (in yrs)	11.18
Modified Duration (in yrs)	7.06
Yield to Maturity (%) (annualised)(at market price)	7.06%
Net Asset Value	14.665100
Net asset value last month	15.231600
Total Investment in Infrastructure (Rs in Cr)	0.33
Total outstanding exposure to derivatives	-
Total NPA provided for	-

## CREDIT RATING EXPOSURE

Securities		Market Value	% of Portfolio	Ratings
Central Govt. Securities				
State Development Loans		1,30,24,21,209	80.33%	
AAA / Equivalent		20,19,77,860	12.46%	
		32,85,825	0.20%	

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**Notes to Accounts.**

**9 Investments**

9.1 All Investments of the scheme are in the name of the NPS trust.

9.2 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, 2022

Security particulars	no of shares/bonds	Cost	Market Value (Cr)	no of shares/bonds	Cost	Market Value (Cr)
	0	0	0	0	0	0

9.3 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	Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2022	As on 31.03.2021
Unrealized Gain	Rs in Cr	Rs in Cr
Unrealized Loss	0.83	39.01
Net Unrealized Gain/Loss	2.83	123.12
	-1.55	162.14
	0.66%	0.56%
	1.89%	0.84%
	-1.23%	3.34%

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

Particular	31.03.2022	31.03.2021
Average Net Asset Value	12.443	6.393
Purchase of Investment	17.700	14.882
% to average Net Asset Value	142.24%	232.50%
Sale of Investment	9.513	11.157
% to average Net Asset Value	78.66%	174.51%

10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

List of related Party  
Grasim Industries Limited  
Aditya Birla Capital Limited  
Aditya Birla Sun Life Insurance Company Limited  
Aditya Birla Sun Life Pension Management Limited PFM

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

Name of related party	Relationship	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	4,36,358	52,840

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

Particular	31.03.2022	31.03.2021
Investment management fees	5,78,222	75,331
Balance with Aditya Birla Sun Life Pension management Ltd		
Particular	31.03.2022	31.03.2021
Investment Management Fees payable	141864	22491



**11 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 110558772

**12 Unit NAV**

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	14.6651	14.0668

**13 Details of sectoral classification of investment has been appended as part of notes 8**

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

**15 Previous years figures are regrouped wherever necessary**

As per our report of even date  
For SARDAR & PAREEK LLP  
Chartered Accountants  
Firm Reg. No. 109262W



For Aditya Birla Sun Life Pension Management Company Limited



S.C. Bhargava  
(Director)

*[Signature]*

Kamlesh Rao  
(Director)

*[Signature]*

Vikas Seth  
(CEO)

*[Signature]*

Place : Mumbai

Date : 24/06/2022

For and on behalf of NPS Trust

(Chairman, NPS Board)

Shri Dinesh Kumar Mehrotra

Sh. Sashi Krishnan  
(Chief Executive Officer)



MUMBAI

24<sup>th</sup> JUNE 2022

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## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited – Scheme A- Tier I ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

We do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.



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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in Schedule 7.1.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208AL0AXPS129

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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, 2022**

**Aditya Birla Sun Life Pension Management Ltd.**

+91 22 6723 9100

care.pensionfunds@adityabirlacapital.com | <https://pensionfund.adityabirlacapital.com>

**Correspondence & Registered Office:**

One World Center, Tower-1, 16<sup>th</sup> Floor,  
Jupiter Mill Compound, 841, Serpentine Road, 400 013,  
Elphinstone Road, Mumbai - 400 013

CIN: U66003MH2015PLC260801

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_A\_TIER\_I  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	1,41,72,814	1,00,03,546
Reserves and Surplus	2	53,69,367	24,65,822
Current Liabilities and Provisions	3	19,519	45,283
<b>Total</b>		<b>1,95,61,700</b>	<b>1,25,14,651</b>
<b>Assets</b>			
Investments	4	1,87,32,292	1,23,94,128
Other Current Assets	5	8,29,408	1,20,522
<b>Total</b>		<b>1,95,61,700</b>	<b>1,25,14,651</b>
(a) Net assets as per Balance Sheets		1,95,42,181	1,24,69,368
(b) Number of units outstanding		14,17,281	10,00,355
Significant Accounting Policies	6		

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



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_A\_TIER\_I**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Income</b>		
Dividend	2,77,685	-
Interest	3,96,311	95,770
Profit on sale/redemption of investments	3,51,511	95,823
Unrealised gain on appreciation in investments	7,53,772	1,36,866
Other Income	-	2
<b>Total Income (A)</b>	<b>17,79,279</b>	<b>3,28,462</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	1,77,232	882
Management fees (including GST)	6,868	1,148
NPS Trust Fees	764	486
Custodian fees	345	37
Depository and settlement charges	166	65
Stamp Duty on Bond/Mutual Fund	-	748
CRA fees	8,346	8,162
Less: Amount recoverable by sale of units on account of CRA Charges	(8,346)	(8,162)
Other Expenses	-	-
<b>Total Expenditure (B)</b>	<b>1,85,375</b>	<b>3,366</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>15,93,904</b>	<b>3,25,096</b>
Less: Amount transferred to Unrealised appreciation account	5,76,540	1,35,984
Less: Amount transferred to General Reserve	10,17,365	1,89,111
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_A\_TIER\_I**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	<b>31st Mar 2022</b>	<b>(In Rs.) 31st Mar 2021</b>
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	1,00,03,546	67,14,336
Add: Units issued during the year	67,00,698	49,58,311
Less: Units redeemed during the year	(25,31,429)	(16,69,102)
<b>Outstanding at the end of the year (₹)</b>	<b>1,41,72,814</b>	<b>1,00,03,546</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	10,00,355	6,71,434
Add: Units issued during the year	6,70,070	4,95,831
Less: Units redeemed during the year	(2,53,143)	(1,86,910)
<b>Outstanding Units at the end of the year</b>	<b>14,17,281</b>	<b>10,00,355</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	14,76,734	7,13,297
Add: Premium on Units Issued	20,47,789	11,42,555
Less: Premium on Units redeemed	(7,38,147)	(3,79,117)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>27,86,375</b>	<b>14,76,734</b>
<b>General Reserve</b>		
Opening Balance	8,51,182	6,62,071
Add: Transfer from Revenue Account	10,17,365	1,89,111
<b>Closing Balance</b>	<b>18,68,547</b>	<b>8,51,182</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	1,37,905	1,921
Add/(Less): Transfer from/(to) Revenue Account	5,78,540	1,35,984
<b>Closing Balance</b>	<b>7,14,445</b>	<b>1,37,905</b>
<b>Total</b>	<b>53,69,367</b>	<b>24,65,822</b>

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST**

**SCHEME\_A\_TIER\_I**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>31st Mar 2022</b>	<b>31st Mar 2021</b>
<b>Current Liabilities</b>		
Sundry Creditors for expenses	2,004	403
Redemption Payable	17,515	44,880
<b>Total</b>	<b>19,519</b>	<b>45,283</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
AIF's (Category I and Category II Only)/REITs/INVTs/Asset Backed Securities/Commercial mortgage based Securities or Residential mortgage based securities	76,90,643	-
Basel III Tier I bonds	1,02,11,547	20,63,780
Others - Mutual Fund Units	8,30,102	1,03,30,348
<b>Total</b>	<b>1,87,32,292</b>	<b>1,23,94,128</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	3,52,928	46,487
Outstanding and accrued income	4,76,480	74,034
<b>Total</b>	<b>8,29,408</b>	<b>1,20,522</b>

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

## **Note 6**

### **Significant accounting policies & notes to the Financial Statements**

#### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

#### **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

#### **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 ICRA Analytics Ltd 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 1<sup>st</sup> January 2020 and shall be followed henceforth.

S.No	Type of Security/Instrument	Valuation methodology
1)	<b>All Instruments/ Securities with residual maturity of more than 30 days</b>	<p><b>Traded Securities:</b> 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.</p> <p><b>Non-Traded Securities:</b> The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs.</p> <p><b>Purchase of new securities:</b> In case of new security purchased for which price is not available, such security shall be valued on the basis of <b>scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities)</b> at which the securities are purchased.</p>
2)	<b>Investment in "Additional Tier 1 (Basel III Compliant) Perpetual Bonds" [AT1 Bonds], ABS, MBS</b>	The Investment in AT1 Bonds, ABS and MBS shall be valued at scrip level prices as above.

3)	<b>All Instruments/ Securities with residual maturity of up to 30 Days</b>	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. $\pm 2.5$ basis points) of the reference price provided by the valuation agency
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**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 10:00 pm.

**Miscellaneous**

<b>Valuation of Bank Fixed Deposits</b>	To be valued at face value and amortized on a straight-line basis.
<b>Investment in Units of "Real Estate Investment Trusts (REIT) &amp; Infrastructure Investment Trusts (InvIT)"</b>	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). If not traded on principal stock exchange, the closing price on any other stock exchange where units are traded will be used.
<b>Alternate Investment Funds (AIF)</b>	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.

**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.

## 5 Units reconciliation

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

## 6 Investment Management Fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

#### **7 Trustee fees**

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

#### **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.

#### **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.

#### **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.

#### **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.

#### **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.

#### **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_A\_TIER\_I

Note 7				
S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	12.4649	12.0513	Closing NAV as on 1st April of the Current F Y
	High	13.8095	12.4776	Highest NAV during the F Y
	Low	12.4655	12.0513	Lowest NAV during the F Y
	End	13.7885	12.4649	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	185.42	124.69	AUM = (Aggregate of the daily AUM in the relevant F Y) / (no. of calendar days in the relevant F Y)
	Average (AAUM)	152.86	97.38	
3	Gross Income as % of AAUM	12%	3%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	1.21%	0.03%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.04%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	10%	3%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	0.27%	22.30%	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	10.62%	3.43%	
	Bench Mark	0.00%	0.00%	
	Last 3 Years	6.58%	5.58%	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$ (where n=365/no. of days)
	Bench Mark	0.00%	0.00%	
	Since Launch of the scheme (15.05.2017)	6.78%	5.62%	

\* Declared NAV, Returns calculated based on declared NAV

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NAME OF PENSION FUND  
SCHEME NAME  
MONTH

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED  
Scheme A TIER I  
31st Mar 2022

Note 8

ISIN No.	Name of the Instrument	Industry Sector	Quantity	Market Value	% of Portfolio	Rating
INE219X00014	India Grid Trust - Invts	Transmission of electric energy	11,601.00	17,07,783	8.74%	
INE044X00010	POWERGRID Infrastructure Investment Trust	Transmission of electric energy	14,770.00	19,77,703	10.12%	
INE041025011	Embassy Office Parks REIT	Real estate activities with own or leased property	5,180.00	19,29,363	9.87%	
INE00CL05019	Mindspace Business Parks REIT	Real estate activities with own or leased property	5,980.00	20,75,775	10.62%	
INE090A08104	9.15% ICICI 20-March-2099 BASEL III (CALL OPT 20-JUNE-2023)	Monetary intermediation of commercial banks, saving banks, postal savings	3.00	31,31,715	16.03%	IIICRA/AA+
INE062A08109	9.45% SBI 22-March-2099 BASEL III (CALL OPT 22-MARCH-2024)	Monetary intermediation of commercial banks, saving banks, postal savings	1.00	10,47,828	5.36%	CRISIL AA+
INE082A08249	7.74% SBI Perpetual 09-Sept-2099 (call 09-09-2025)	Monetary intermediation of commercial banks, saving banks, postal savings	8.00	60,32,004	30.87%	IIICRA/AA+
	Subtotal A			1,79,02,190	91.61%	
	Money Market Instruments:-			Market Value	% of Portfolio	Rating
	- Treasury Bills			Nil	-	
	- Money Market Mutual Funds			8,30,102	4.25%	
	- Certificate of Deposits / Commercial Papers			Nil	-	
	- Application Pending Allotment			Nil	-	
	- Bank Fixed Deposits (< 1 Year)			Nil	-	
	Net Current assets			8,09,869	4.14%	
	Sub Total B			18,39,991	8.39%	
	GRAND TOTAL (sub total A + sub total B)			1,97,42,181	100.00%	

Average Maturity of Portfolio (in yrs)	2.61
Modified Duration (in yrs)	2.18
Yield to Maturity (%) (annualised) (at market price)	6.77%
Net Asset Value	13,78,8500
Net asset value last month	14,11,8900
Total investment in Infrastructure	-
Total outstanding exposure to derivatives	-
Total NPA provided for	-

CREDIT RATING EXPOSURE			
A1+ (For Commercial Paper)		-	0.00%
AA+ / Equivalent		1,02,11,847	52.25%
AA / Equivalent		-	0.00%
AA- / Equivalent		-	
A+ / Equivalent		-	

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST**

**Notes to Accounts**

**9 Investments**

**9.1 All Investments of the scheme are in the name of the NPS trust.**

**9.2 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, 2022**

Security particulars	no of share/bonds	Cost	Market Value (Cr)	no of share/bonds	Cost	Market Value (Cr)
	0	0	0	0	0	0

**9.3 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	Cost	Market Value (Cr)	Cost	Market Value (Cr)
Nil	0	0	0	0	0

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

Particular	As on 31.03.2022		As on 31.03.2021	
	Rs in Crs	% to AUM	Cost	Market Value (Cr)
Unrealised Gain	0.09	5.12%	1.09	1.17
Unrealised Loss	0.01	0.45%	0.80	0.21
Net Unrealised Gain/Loss	0.07	4.67%	1.88	2.05%
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**9.5 Aggregate value of purchases and sale with percentage to average assets (Rs in Lakhs)**

Particular	E Tier 1	E Tier 1
	31.03.2022	31.03.2021
Average Net Asset Value	153	97
Purchase of Investment	153	257
% to average Net Asset Value	100.25%	263.74%
Sale of Investment	0	215
% to average Net Asset Value	0.27%	221.06%

**10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

List of related Party	Relations
Gresin Industries Limited	Ultimate Holding Company of the PFM
Aditya Birla Capital Limited	Intermediate Holding Company of the PFM
Aditya Birla Sun Life Insurance Company Limited	Sponsor
Aditya Birla Sun Life Pension Management Limited	PFM

**Following are the transactions with Associates & Group companies under the scheme**

Name of related party	Nature of transaction	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	5,192	820

**The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

Particular	31.03.2022	31.03.2021
Investment management fees	6,868	1,148
Balance with Aditya Birla Sun Life Pension management Ltd		
Particular	31.03.2022	31.03.2021
Investment Management Fees payable	1676	327

# 11 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 1417281

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	13.7885	12.4649

## 12 Unit NAV

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

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDAS & PAREEK LLP  
Chartered Accountants  
Firm Reg. No.109262W



Gaurav Sarda  
Partner  
Membership No.110206

Place : Mumbai

Date : 24/06/2022  
For and on behalf of NPS Trust

For Aditya Birla Sun Life Pension Management Company Limited



Kamlesh Rao  
(Director)

S.C. Bhargava  
(Director)

Shri Dinesh Kumar Mehrotra

(Chairman, NPS Board)

Sri. Sashi Krishnan  
(Chief Executive officer)



MUMBAI

24th JUNE 2022





## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited. – Scheme E- Tier II ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.



- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in schedule 7(A).

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

*Gaurav Sarda*

**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208AL00005284



## 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, 2022**

Aditya Birla Sun Life Pension Management Ltd.

+91 22 6723 9100

care.pensionfunds@adityabirlacapital.com | <https://pensionfund.adityabirlacapital.com>

Correspondence & Registered Office:

One World Center, Tower-1, 16<sup>th</sup> Floor,  
Jupiter Mill Compound, 841, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 073

CIN: U66003MH2015PLC260803

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_E\_TIER\_II  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	(In Rs.)	
		31st Mar 2022	31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	10,09,80,078	7,95,96,317
Reserves and Surplus	2	8,44,59,925	4,45,84,721
Current Liabilities and Provisions	3	8,29,229	8,25,923
<b>Total</b>		<b>18,60,49,232</b>	<b>12,50,06,962</b>
<b>Assets</b>			
Investments	4	18,47,78,393	12,41,09,285
Other Current Assets	5	12,70,838	8,97,697
<b>Total</b>		<b>18,60,49,232</b>	<b>12,50,06,962</b>
(a) Net assets as per Balance Sheets		18,54,20,002	12,41,81,038
(b) Number of units outstanding		1,00,96,008	79,59,632
Significant Accounting Policies	6		
The accompanying notes are an integral part of the financial statements.			
The accompanying notes are an integral part of the financial statements.			



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_E\_TIER\_II**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Income</b>		
Dividend	16,88,771	11,27,839
Profit on sale/redemption of investments	56,23,174	18,31,507
Unrealised gain on appreciation in investments	1,70,58,485	4,33,77,552
Other Income	113	6
<b>Total Income (A)</b>	<b>2,43,70,544</b>	<b>4,61,36,904</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	29,536	7,17,759
Loss on sale/redemption of investments	12,15,537	25,30,384
Management fees (including GST)	68,560	10,694
NPS Trust Fees	7,730	4,531
Custodian fees	4,009	2,895
Depository and settlement charges	535	410
Stamp Duty on Bond/Mutual Fund	-	2,191
CRA fees	38,138	24,773
Less: Amount recoverable by sale of units on account of CRA Charges	(38,138)	(24,773)
<b>Total Expenditure (B)</b>	<b>13,25,908</b>	<b>32,68,845</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>2,30,44,838</b>	<b>4,28,68,059</b>
Less: Amount transferred to Unrealised appreciation account	1,70,28,949	4,28,59,793
Less: Amount transferred to General Reserve	60,15,687	2,08,286
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>





**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_E\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	7,95,96,317	5,73,82,259
Add: Units issued during the year	6,88,53,929	6,06,22,515
Less: Units redeemed during the year	(4,74,90,169)	(3,83,88,456)
<b>Outstanding at the end of the year (₹)</b>	<b>10,09,60,078</b>	<b>7,95,96,317</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	79,59,632	57,38,226
Add: Units issued during the year	88,85,393	80,82,251
Less: Units redeemed during the year	(47,49,017)	(38,38,846)
<b>Outstanding Units at the end of the year</b>	<b>1,00,96,008</b>	<b>79,59,632</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	1,42,77,679	81,83,176
Add: Premium on Units issued	5,22,50,364	1,84,38,755
Less: Premium on Units redeemed	(3,54,19,798)	(1,23,44,251)
<b>Closing Balance</b>	<b>3,11,08,247</b>	<b>1,42,77,679</b>
<b>General Reserve</b>		
Opening Balance	8,57,289	6,49,024
Add: Transfer from Revenue Account	60,15,687	2,08,266
<b>Closing Balance</b>	<b>68,72,976</b>	<b>8,57,289</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	2,94,49,752	(1,32,10,041)
Add/(Less): Transfer from/(to) Revenue Account	1,70,28,949	4,28,59,793
<b>Closing Balance</b>	<b>4,64,78,702</b>	<b>2,94,49,752</b>
<b>Total</b>	<b>8,44,59,925</b>	<b>4,45,84,721</b>

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_E\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	17,945	5,008
Redemption Payable	6,11,284	8,20,917
<b>Total</b>	<b>6,29,229</b>	<b>8,25,923</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	17,88,64,543	11,63,36,288
Others - Mutual Fund Units	59,13,850	77,72,977
<b>Total</b>	<b>18,47,78,393</b>	<b>12,41,09,265</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	12,48,831	8,76,847
Dividend Receivable	22,007	20,849
<b>Total</b>	<b>12,70,838</b>	<b>8,97,697</b>

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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

### 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 ICRA Analytics Ltd 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 1<sup>st</sup> January 2020 and shall be followed henceforth.

S.No	Equity Instruments/ETFs	Valuation Methodology
1)	<b>Securities traded on valuation day</b>	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)	<b>Securities not traded on valuation day</b>	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)	<b>Securities suspended for reasons other than corporate Actions</b>	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)	<b>Index Funds</b>	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)	<b>Exchange Traded Funds</b>	As per the closing price of the day of the respective stock exchange.
6)	<b>IPO Application</b>	1. IPO application money pending allotment at cost basis. 2. Post allotment but awaiting listing at allotment price.
7)	<b>Valuation of Futures and Options</b>	<b>Options:</b> i) If traded, then closing price to be considered ii) If not traded, then theoretical price based on Black Scholes Model may be considered. <b>Futures:</b> All futures shall be valued at the settlement price declared by the exchanges where they are traded in.
8)	<b>Valuation of Warrants</b>	<b>a) Traded</b> In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares. <b>b) Non-traded</b> 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)	<b>Valuation of Preference Shares</b>	<b>a) Traded Securities</b> 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>b) Thinly Traded / Non-Traded / Unlisted Securities</b> Non-Convertible and Convertible components would be valued separately. i) <b>Non-Convertible component</b> would be valued on the basis of norms governing the valuation of Non- Convertible Debentures and Bonds. ii) <b>Convertible component</b> 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)	<b>Valuation of Rights</b>	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.

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

S.No	Corporate Action Event	Valuation Methodology
1)	<b>De-Merger</b>	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. ii) In case shares of only one company are listed & traded on de-merger:

		<ul style="list-style-type: none"> <li>• Traded shares are to be valued at traded price</li> <li>• 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"> <li>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</li> <li>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</li> <li>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.</li> </ol> </li> </ul>
2)	<b>Merger</b>	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)	<b>Buy-back of Securities</b>	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 10:00 pm.

### 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

## 5 Units reconciliation

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.



## **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.

## **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.

## **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.

## **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.

## **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.

## **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_E\_TIER\_II

Note 7				
S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	15.6014	9.2368	Closing NAV as on 1st April of the Current F Y
	High	19.3080	16.2015	Highest NAV during the F Y
	Low	15.2142	8.7532	Lowest NAV during the F Y
	End	18.3857	15.6014	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	1,854.20	1,241.81	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	1,547.14	907.06	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	15.75%	50.65%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	0.86%	3.60%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.04%	0.01%	1M fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	14.90%	47.25%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	18.80%	16.65%	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	17.72%	68.90%	
	Bench Mark	20.66%	73.48%	
	Last 3 Years	15.01%	12.68%	
	Bench Mark	15.91%	13.73%	
	Since Launch of the scheme (15.05.2017)	13.22%	12.09%	CAGR = $((1 + \text{cumulative return})^n)^{1/n} - 1$ (where n=365/no. of days)

\* Declared NAV; Returns calculated based on declared NAV

NAME OF PENSION FUND  
SCHEME NAME  
MONTH

ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED  
Scheme E TIER II  
As on 31st Mar 2022

ISIN No.	Name of the instrument	Industry / Sectoral Classification	Quantity	Market Value	% of Portfolio
INE154A01025	ITC LTD	Manufacture of cigarettes, cigarette tobacco	17,918	4491146.7	2.42%
INE669C01036	TECH MAHENDRA LIMITED	Computer consultancy	1,430	2144213.5	1.16%
INE860A01027	HCL Technologies Limited	Writing, modifying, testing of computer program	2,370	2758087.5	1.49%
INE752E01010	POWER GRID CORPORATION OF INDIA LIMITED	Transmission of electric energy	6,671	1446272.8	0.78%
INE009A01021	INFOSYS LTD EQ	Writing, modifying, testing of computer program	8,577	16355052.45	8.82%
INE062A01020	STATE BANK OF INDIA	Monetary intermediation of commercial banks, saving banks, postal savings	11,643	5746402.65	3.10%
INE073K01018	Sona BLW Precision Forgings Limited	Manufacture of bearings, gears, gearing and driving elements	600	407670	0.22%
INE414G01012	MUTHOOT FINANCE LIMITED	Other credit granting	399	531049.05	0.29%
INE001A01036	HOUSING DEVELOPMENT FINANCE CORPORATION	Activities of specialized institutions granting credit for house purchases	3,157	7546492.8	4.07%
INE271C01023	DLF Ltd	Real estate activities with own or leased property	2,500	951125	0.51%
INE040A01034	HDFC BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings	8,830	12983190.5	7.00%
INE081A01012	TATA STEEL LIMITED	Manufacture of other iron and steel casting and products thereof	1,788	2337273.6	1.26%
INE044A01036	SUN PHARMACEUTICALS INDUSTRIES LTD	Manufacture of medicinal substances used in the manufacture of pharmaceuticals	3,808	3483368	1.88%
INE038A01020	HINDALCO INDUSTRIES LTD.	Manufacture of Aluminium from alumina and by other methods and products	4,325	2463087.5	1.33%
INE245A01021	TATA POWER COMPANY LIMITED	Electric power generation by coal based thermal power plants	4,000	954600	0.51%
INE849A01020	TRENT LTD	Retail sale of readymade garments, hosiery goods, other articles	780	994890	0.54%
INE761H01022	PAGE INDUSTRIES LTD	Manufacture of all types of textile garments and clothing accessories	8	345514.8	0.19%
INE361B01024	DM'S LABORATORIES LTD	Manufacture of allopathic pharmaceutical preparations	192	845193.6	0.46%
INE203G01027	INDRAPRASTHA GAS	Distribution and sale of gaseous fuels through mains	800	298520	0.16%
INE075A01022	WIPRO LTD	Writing, modifying, testing of computer program	2,815	1666198.5	0.90%
INE765G01017	ICICI LOMBARD GENERAL INSURANCE CO LTD	Non-life Insurance	280	371924	0.20%
INE795G01014	HDFC LIFE INSURANCE COMPANY LTD	Life Insurance	1,650	888030	0.48%
INE226A01021	VOLTAS LTD	Manufacture of air-conditioning machines, including motor vehicles airconditioners	425	529295	0.29%
INE918K01018	BAJAJ FINSERV LTD	Other credit granting	107	1825468.15	0.98%
INE628A01036	UPL LIMITED	Manufacture of insecticides, rodenticides, fungicides, herbicides	1,075	827320	0.45%
INE208A01029	ASHOK LEYLAND LTD	Manufacture of commercial vehicles such as vans, lorries, over-the-road	8,720	1022420	0.55%
INE155A01022	TATA MOTORS LTD	Manufacture of commercial vehicles such as vans, lorries, over-the-road	3,220	1996675	0.75%
INE671A01010	Honeywell Automation India Ltd	Manufacture of other electronic components n.e.c	20	793536	0.43%
INE263A01024	BHARAT ELECTRONICS LIMITED	Manufacture of radar equipment, GPS devices, search, detection, navig	4,940	1041352	0.56%
INE298A01020	CUMMINS INDIA LIMITED	Manufacture of engines and turbines, except aircraft, vehicle	603	676143.9	0.36%
INE070A01015	Shree CEMENT LTD	Manufacture of other cement and plaster n.e.c	25	600815	0.32%
INE016A01026	Dabur India Limited	Manufacture of hair oil, shampoo, hair dyes etc.	1,665	892773	0.48%
INE192A01025	Tata Consumer Products Limited	Processing and blending of tea including manufacture of instant tea	1,260	979524	0.53%
INE465A01025	Bharat Forge Limited	Forging, pressing, stamping and roll-forming of metal; powder metallurgy	1,795	1257577	0.68%
INE216A01030	Britannia Industries Limited	Manufacture of biscuits, cakes, pastries, rusks etc.	152	487372.8	0.26%
INE123W01016	SBI LIFE INSURANCE COMPANY LIMITED	Life Insurance	1,365	1530779.25	0.83%
INE797F01012	Jubilant Foodworks Limited	Restaurants without bars	203	535209.5	0.29%
INE854D01024	United Spirits Limited	Manufacture of distilled, potable, alcoholic beverages	1,045	928325.75	0.50%
INE121A01024	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY	Other credit granting	1,216	873635.2	0.47%
INE012A01025	ACC Limited	Manufacture of clinkers and cement	200	430270	0.23%
INE917K01010	Bajaj Auto Limited	Manufacture of motorcycles, scooters, mopeds etc. and their	125	456625	0.25%
INE111A01025	Container Corporation of India Limited	Freight rail transport	930	675099.5	0.34%
INE029A01011	Bharat Petroleum Corporation Limited	Production of liquid and gaseous fuels, illuminating oils, lubricating	4,890	1757221.5	0.95%
INE686F01025	United Breweries Limited	Manufacture of beer	375	558581.25	0.30%
INE296A01024	Bajaj Finance Limited	Other credit granting	561	407281.95	2.20%
INE280A01028	Titan Company Limited	Manufacture of jewellery of gold, silver and other precious or base metal	815	2066962.25	1.11%
INE299U01018	Crompton Greaves Consumer Electricals	Manufacture of electric lighting equipment	1,990	744260	0.40%
INE089A01023	Dr. Reddy's Laboratories Limited	Manufacture of allopathic pharmaceutical preparations	360	1546362	0.83%
INE481G01011	UltraTech Cement Limited	Manufacture of clinkers and cement	475	3136092.5	1.69%
INE467B01029	TATA CONSULTANCY SERVICES LIMITED	Computer consultancy	2,030	7592098.5	4.09%
IN9397D01014	Bharti Airtel partly Paid(24:1)	Activities of maintaining and operating paging	441	174613.95	0.09%
INE238A01034	AXIS BANK	Monetary intermediation of commercial banks, saving banks, postal savings	6,095	4639209.25	2.50%
INE239A01016	NESTLE INDIA LTD	Manufacture of milk-powder, ice-cream powder and condensed milk except	96	1668532.8	0.90%
INE095A01012	Industrial Bank Limited	Monetary intermediation of commercial banks, saving banks, postal savings	358	334873.2	0.18%
INE059A01026	CIPLA LIMITED	Manufacture of medicinal substances used in the manufacture of pharmaceuticals	1,905	1939385.25	1.05%
INE733E01010	NTPC LIMITED	Electric power generation by coal based thermal power plants	10,500	1417500	0.76%
INE101A01026	MAHINDRA AND MAHINDRA LTD	Manufacture of tractors used in agriculture and forestry	2,285	1842966.75	0.99%
INE021A01026	ASIAN PAINTS LTD.	Manufacture of paints and varnishes, enamels or lacquers	863	2657996.85	1.43%
INE030A01027	HINDUSTAN UNILEVER LIMITED	Manufacture of soap all forms	2,334	4781549.1	2.58%
INE237A01028	KOTAK MAHINDRA BANK LIMITED	Monetary intermediation of commercial banks, saving banks, postal savings	2,819	4944103.15	2.67%
INE585B01010	MARUTI SUZUKI INDIA LTD.	Manufacture of passenger cars	323	2442299.9	1.32%
INE002A01018	RELIANCE INDUSTRIES LIMITED	Manufacture of other petroleum n.e.c	6,342	16709584.5	9.01%
INE079A01024	AMBUJA CEMENTS LTD	Manufacture of clinkers and cement	3,060	915705	0.49%
INE37D01024	BHARTI AIRTEL LTD	Activities of maintaining and operating paging	5,403	4078994.85	2.20%
INE066A01021	Eicher Motors Ltd	Manufacture of motorcycles, scooters, mopeds etc. and their	285	700287.75	0.38%
INE129A01019	GAIL (INDIA) LIMITED	Distribution and sale of gaseous fuels through mains	5,470	851405.5	0.46%
INE090A01021	ICICI BANK LTD	Monetary intermediation of commercial banks, saving banks, postal savings	18,582	13570434.6	7.32%
INE018A01030	LARSEN AND TOUBRO LIMITED	Other civil engineering projects n.e.c	3,395	6001171.75	3.24%
	Subtotal A			17,88,64,543.10	96.46%

Money Market Instruments:-	Market Value	% of Portfolio
- Treasury Bills	Nil	-
- Money Market Mutual Funds	5913850.36	3.19%
- Certificate of Deposits / Commercial Papers	Nil	-
- Application Pending Allotment	Nil	-
- Bank Fixed Deposits (< 1 Year)	Nil	-
Net Current assets	641607.89	0.35%
Sub Total B	65,55,458	3.54%
GRAND TOTAL (sub total A + sub total B)	18,54,20,001	100.00%

Net Asset Value	18,36,5700
Net asset value last month	18,13,1900
Total Investment in Infrastructure	-
Total outstanding exposure to derivatives	-
Total NPA provided for	-

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**Notes to Accounts**

**9 Investments**

**9.1 All investments of the scheme are in the name of the NPS trust.**

**9.2 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, 2022**

Security particulars	no of shares/bonds	Cost	Market Value (Cr)	no of shares/bonds	Cost	Market Value (Cr)
	0	0	0	0	0	0

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

Security particulars	Value of security	Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2022	As on 31.03.2021	As on 31.03.2022	As on 31.03.2021
	Rs in Crs	% to AUM	Rs in Crs	% to AUM
Unrealized Gain	4.79	30.89%	16.11	31.29%
Unrealized Loss	0.18	0.85%	2.43	0.77%
Net Unrealized Gain/Loss	4.65	30.04%	13.68	32.06%

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

Particular	31.03.2022	31.03.2021
Average Net Asset Value	1,547	907
Purchase of Investment	701	1,663
% to average Net Asset Value	45.29%	183.28%
Sale of Investment	291	1,369
% to average Net Asset Value	18.80%	150.89%

**10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

List of related Party	Relationship
Grasim Industries Limited	Ultimate Holding Company of the PFM
Aditya Birla Capital Limited	Intermediary Holding Company of the PFM
Aditya Birla Sun Life Insurance Company Limited	Sponsor
Aditya Birla Sun Life Pension Management Limited	PFM

**Following are the transactions with Associates & Group companies under the scheme**

Name of related party	Nature of relationship	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	51,251	5,938

**The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

Particular	31.03.2022	31.03.2021
Investment management fees	68,560	10,694

**Balance with Aditya Birla Sun Life Pension management Ltd**

Particular	31.03.2022	31.03.2021
Investment Management Fees payable	17309	4757

11 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 10096008

12 Unit NAV

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	18.3657	15.6014

13 Details of sectoral classification of investment has been appended as part of notes 8

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDAR & PAREEK LLP  
Chartered Accountants  
Firm Reg. No.108292W



Gaurav Sarda  
Partner  
Membership No.110708

Place : Mumbai

Date : 24/06/2022

For and on behalf of NPS Trust

For Aditya Birla Sun Life Pension Management Company Limited



Vikas Seth  
(CEO)

Kamlesh Rao  
(Director)

Sh. Sashi Krishnan  
(Chief Executive officer)

MUMBAI



(Chairman, NPS Board)

Shri Dinesh Kumar Mehrotra

24th JUNE 2022



## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited – Scheme C- Tier II (“the Scheme”)**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as “PFM”) which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency (“CRA”) and have not been subjected to audit by us.

However we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

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our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.



- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in note 7.1

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

*Gaurav Sarda*  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208ALOCUJ8405

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, 2022**

Aditya Birla Sun Life Pension Management Ltd.

+91 22 6723 9100

care.pensionfunds@adityabirlacapital.com | <https://pensionfund.adityabirlacapital.com>

Correspondence & Registered Office:  
One World Center, Tower-1, 16<sup>th</sup> Floor,  
Jupiter Mill Compound, 841, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 043  
CIN: U66003MH2015PLC260801

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_II  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	31st Mar 2022	31st Mar 2021
<b>(In Rs.)</b>			
<b>Liabilities</b>			
Unit Capital	1	6,80,72,013	4,89,58,327
Reserves and Surplus	2	3,31,73,008	1,93,56,400
Current Liabilities and Provisions	3	5,30,893	3,23,835
<b>Total</b>		<b>10,17,75,911</b>	<b>6,86,38,562</b>
<b>Assets</b>			
Investments	4	9,79,27,685	6,59,99,593
Other Current Assets	5	38,48,227	26,38,968
<b>Total</b>		<b>10,17,75,911</b>	<b>6,86,38,562</b>
(a) Net assets as per Balance Sheets		10,12,45,019	6,83,14,727
(b) Number of units outstanding		68,07,201	48,95,833
Significant Accounting Policies	6		
The accompanying notes are an integral part of the financial statements.			
The accompanying notes are an integral part of the financial statements.			



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_C\_TIER\_II**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	31st Mar 2021
		(In Rs.)
<b>Income</b>		
Interest	56,88,026	36,00,152
Profit on sale/redemption of investments	3,64,652	1,11,506
Unrealised gain on appreciation in investments	-	4,13,796
Other Income	-	34
<b>Total Income (A)</b>	<b>60,50,677</b>	<b>41,25,487</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	8,40,628	-
Loss on sale/redemption of investments	75,987	-
Management fees (including GST)	36,000	6,103
NPS Trust Fees	4,096	2,586
Custodian fees	2,661	1,646
Depository and settlement charges	1,179	607
Stamp Duty on Bond/Mutual Fund	-	2,978
CRA fees	20,194	36,344
Less: Amount recoverable by sale of units on account of CRA Charges	(20,194)	(36,344)
<b>Total Expenditure (B)</b>	<b>9,60,551</b>	<b>13,919</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>50,90,126</b>	<b>41,11,569</b>
Less: Amount transferred to Unrealised appreciation account	(8,40,628)	4,13,796
Less: Amount transferred to General Reserve	59,30,755	36,97,773
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	4,89,58,327	3,03,17,304
Add: Units issued during the year	6,30,08,266	7,48,68,727
Less: Units redeemed during the year	(4,38,94,580)	(5,82,27,704)
<b>Outstanding at the end of the year (₹)</b>	<b>6,80,72,013</b>	<b>4,89,58,327</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	48,95,833	30,31,730
Add: Units issued during the year	63,00,827	74,86,873
Less: Units redeemed during the year	(43,89,458)	(56,22,770)
<b>Outstanding Units at the end of the year</b>	<b>68,07,201</b>	<b>48,95,833</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	94,73,004	25,86,717
Add: Premium on Units issued	2,85,94,601	2,68,41,423
Less: Premium on Units redeemed	(1,98,68,121)	(1,99,35,136)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>1,81,99,483</b>	<b>94,73,004</b>
<b>General Reserve</b>		
Opening Balance	83,80,193	46,82,420
Add: Transfer from Revenue Account	59,30,755	36,97,773
<b>Closing Balance</b>	<b>1,43,10,947</b>	<b>83,80,193</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	15,03,203	10,89,408
Add/(Less): Transfer from/(to) Revenue Account	(8,40,626)	4,13,796
<b>Closing Balance</b>	<b>6,62,575</b>	<b>15,03,203</b>
<b>Total</b>	<b>3,31,73,006</b>	<b>1,93,56,400</b>

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_C\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	10,030	2,917
Redemption Payable	5,20,862	3,20,918
<b>Total</b>	<b>5,30,893</b>	<b>3,23,835</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Debentures and Bonds Listed/Awaiting Listing	9,05,18,055	6,14,58,130
Others - Mutual Fund Units	74,09,630	45,43,463
<b>Total</b>	<b>9,79,27,685</b>	<b>6,59,99,593</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	7,41,973	3,95,888
Outstanding and accrued income	31,06,254	22,43,080
<b>Total</b>	<b>38,48,227</b>	<b>26,38,968</b>



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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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

### 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 ICRA Analytics Ltd and provided to ABSLPML on daily basis.

<p>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 1<sup>st</sup> January 2020 and shall be followed henceforth.</p> <p>S.No</p>	Type of Security/Instrument	Valuation methodology
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1)	<b>All Instruments/ Securities with residual maturity of more than 30 days</b>	<b>Traded Securities:</b> 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. <b>Non-Traded Securities:</b> The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs. <b>Purchase of new securities:</b> In case of new security purchased for which price is not available, such security shall be valued on the basis of <b>scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities)</b> at which the securities are purchased.
2)	<b>All Instruments/ Securities with residual maturity of up to 30 days</b>	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. $\pm 2.5$ 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 10:00 pm.

**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

## 5 Units reconciliation

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_C\_TIER\_II

Note 7

S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	13.9538	12.7530	Closing NAV as on 1st April of the Current F Y
	High	14.8732	13.9947	Highest NAV during the F Y
	Low	13.9562	12.4874	Lowest NAV during the F Y
	End	14.8732	13.9538	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	1,012.45	683.15	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	820.02	517.87	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	7.38%	7.87%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	1.17%	0.03%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.04%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	6.21%	7.84%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	8.38%	47.65%	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	6.59%	9.44%	
	Bench Mark	6.44%	12.56%	
	Last 3 Years	9.07%	9.42%	
	Bench Mark	10.20%	10.52%	
	Since Launch of the scheme (15.05.2017)	8.45%	8.93%	

\* Declared NAV, Returns calculated based on declared NAV

## NAME OF PENSION FUND

SCHEME NAME

MONTH

Note 8

## ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

Scheme C TIER II

31st Mar 2022

ISIN No.	Name of the Instrument	Industry / Sector Classification	Quantity	Market Value	% of Portfolio	Rating
INE261F0BAV0	8.22% NABARD 13 Dec 2028 (GOI Service)	Other monetary intermediation services n.e.c.	1	1078790	1.07%	CRISIL AAA
INE261F0BA05	8.47% NABARD GOI 31 Aug 2033	Other monetary intermediation services n.e.c.	1	1117594	1.10%	CRISIL AAA
INE115A07D51	9.00% LIC Housing 9 Apr 2023	Activities of specialized institutions granting credit for house purchase	1	1035433	1.02%	CRISIL AAA
INE535H08660	9.30% Fullerton India Credit 25 Apr 2023	Other credit granting	1	1023583	1.01%	IND AA+
INE752E07OC4	7.36% PGC 17Oct 2026	Transmission of electric energy	2	2088008	2.07%	ICRA/JAAA
INE002A08534	9.05% Reliance Industries 17 Oct 2028	Manufacture of other petroleum n.e.c.	4	4416092	4.36%	ICRA/JAAA
INE062A08165	8.90% SBI Tier II 2 Nov 2028 Call 2 Nov 2023	Monetary intermediation of commercial banks, saving banks, postal s	2	2105920	2.08%	CRISIL AAA
INE906807GPO	8.27% NHAI 28 Mar 2029	Construction and maintenance of motorways, streets, roads, other ve	2	2147942	2.12%	ICRA/JAAA
INE001A07RT1	8.55% HDFC Ltd 27 Mar 2029	Activities of specialized institutions granting credit for house purchase	2	2153178	2.13%	ICRA/JAAA
INE23E08NH8	9.80% L&T Finance 21 Dec 2022	Activities of holding companies	1	1030271	1.02%	ICRA/JAAA
INE053F09GR4	8.80% IRFC BOND 03/02/2030	Other credit granting	1	1114250	1.10%	ICRA/JAAA
INE115A07DT9	8.89% LIC Housing 25 Apr 2023	Activities of specialized institutions granting credit for house purchase	1	1035608	1.02%	CRISIL AAA
INE121A08QA2	9.08% Cholamandalam Investment & Finance co. Ltd 23.11.2023	Other credit granting	1	1024594	1.01%	ICRA/JAA+
INE774D08MK5	8%Mahindra Financial Services LTD NCD MD 24/07/2027	Other financial service activities, except insurance and pension fundin	900	916423.2	0.91%	IND AAA
INE053F07BT5	7.54% IRFC 29 Jul 2034	Other credit granting	1	1038786	1.03%	ICRA/JAAA
INE235P07894	9.30% L&T INFRA DEBT FUND 5 July 2024	Other credit granting	1	1047252	1.03%	ICRA/JAAA
INE752E07KY6	7.93% POWER GRID CORP MD 20.05.2027	Transmission of electric energy	2	2142336	2.12%	ICRA/JAAA
INE752E07K08	7.93% PGC 20.05.2026	Transmission of electric energy	1	1067472	1.05%	ICRA/JAAA
INE733E07J86	8.84% NTPC 4 Oct 2022	Electric power generation by coal based thermal power plants	1	1020119	1.01%	ICRA/JAAA
INE134E08CY2	8.70% PFC 14.05.2025	Other credit granting	2	2148398	2.12%	ICRA/JAAA
INE020B08AC9	7.70% REC 10.12.2027	Other credit granting	1	1059760	1.05%	ICRA/JAAA
INE906807FT4	7.77 % NHAI 06.06.2023	Construction and maintenance of motorways, streets, roads, other ve	1	1005730	0.99%	ICRA/JAAA
INE14E08AV5	9.25 % EXIM 18.04.2022	Other monetary intermediation services n.e.c.	1	1002305	0.99%	ICRA/JAAA
INE134E08IP5	7.85% PFC 03.04.2028	Other credit granting	1	1049324	1.04%	ICRA/JAAA
INE238A08351	8.85 % AXIS BANK 05.12.2024 (Infra Bond)	Monetary intermediation of commercial banks, saving banks, postal s	3	3204336	3.18%	ICRA/JAAA
INE14E08BL8	8.15 % EXIM 05.03.2025	Other monetary intermediation services n.e.c.	1	1065051	1.05%	ICRA/JAAA
INE053F07AB5	7.27% IRFC 15.06.2027	Other credit granting	2	2083282	2.06%	ICRA/JAAA
INE261F08AD8	8.20% NABARD 09.03.2028 (GOI Service)	Other monetary intermediation services n.e.c.	1	1070586	1.06%	CRISIL AAA
INE094A08101	6.09% HPCL 26.02.2027 (Hindustan Petroleum Corporation Ltd)	Production of liquid and gaseous fuels, illuminating oils, lubricating	4	3979664	3.93%	ICRA/JAAA
INE001A07TG4	7.05% HDFC 01.12.2031	Activities of specialized institutions granting credit for house purchase	1	990616	0.98%	ICRA/JAAA
INE261F08BM7	7.41% NABARD(Non GOI) 18-July-2029	Other monetary intermediation services n.e.c.	1	1023993	1.01%	CRISIL AAA
INE537P07489	8.40% India Infra debt 20.11.2024	Other monetary intermediation services n.e.c.	2	2088764	2.06%	ICRA/JAAA
INE094A08044	6.80% HPCL(Hindustan Petroleum Corporation Limited) 15.12.20	Production of liquid and gaseous fuels, illuminating oils, lubricating	3	3042237	3.00%	ICRA/JAAA
INE733E07HCB	9.00 % NTPC 25.01.2027	Electric power generation by coal based thermal power plants	3	667166.4	0.66%	ICRA/JAAA
INE090A08UE8	6.45%ICICI Bank (Infrastructure Bond) 15.06.2028	Monetary intermediation of commercial banks, saving banks, postal s	1	978021	0.97%	ICRA/JAAA
INE848E07369	8.85% NHPC 11.02.2025	Electric power generation by hydroelectric power plants	9	971820	0.96%	ICRA/JAAA
INE094A08093	6.63% HPCL(Hindustan Petroleum Corporation Ltd)(11.04.2031	Production of liquid and gaseous fuels, illuminating oils, lubricating	1	975078	0.96%	ICRA/JAAA
INE848E07476	8.78% NHPC 11-Sept-2027	Electric power generation by hydroelectric power plants	30	3310617	3.27%	ICRA/JAAA
INE115A07OF5	7.99% LIC Housing 12 July 2029 Put Option (12July2021)	Activities of specialized institutions granting credit for house purchase	2	2091862	2.07%	CRISIL AAA
INE296A07RND	6.92% Bajaj Finance 24-Dec-2030	Other credit granting	2	1966170	1.94%	ICRA/JAAA
INE001A07SW3	6.83% HDFC 2031 08-Jan-2031	Activities of specialized institutions granting credit for house purchase	2	1954744	1.93%	ICRA/JAAA
INE296A07RO8	6% Bajaj Finance 24-Dec-2025	Other credit granting	1	983521	0.97%	CRISIL AAA
INE115A07J58	8.48% LIC Housing 29 Jun 2026	Activities of specialized institutions granting credit for house purchase	2	2129068	2.10%	CRISIL AAA
INE261F08B32	7.69% NABARD 31-Mar-2032	Other monetary intermediation services n.e.c.	1	1041952	1.03%	CRISIL AAA
INE906808039	7.04% NHAI 21-09-2033	Construction and maintenance of motorways, streets, roads, other ve	1	1002491	0.99%	ICRA/JAAA
INE053F07C35	6.85% IRFC 28-Oct-2040	Other credit granting	1	968121	0.96%	ICRA/JAAA
INE001A07S87	8.05% HDFC Ltd 22 Oct 2029	Activities of specialized institutions granting credit for house purchase	1	1052273	1.04%	ICRA/JAAA
INE134E08KV1	7.73% Power Finance Corporation 11-Jun-2030	Other credit granting	1	1042060	1.03%	ICRA/JAAA
INE752E07OB6	7.55% Power Grid Corporation 21-Sept-2031	Transmission of electric energy	1	1037235	1.02%	ICRA/JAAA
INE062A08Z31	6.80% SBI Baselll Tier II 21 Aug 2035 Call 21 Aug 2030	Monetary intermediation of commercial banks, saving banks, postal s	1	983700	0.97%	CRISIL AAA
INE296A07RA7	7.90% Bajaj Finance 10-Jan-2030	Other credit granting	2	2082980	2.06%	CRISIL AAA
INE154E08EE3	8.83% EXIM 03-NOV-2019	Other monetary intermediation services n.e.c.	1	1113553	1.10%	ICRA/JAAA
INE733E07JL3	7.32% NTPC 17 Jul 2029	Electric power generation by coal based thermal power plants	1	1026358	1.01%	ICRA/JAAA
INE134E08JL1	8.67%PFC 19-Nov-2028	Other credit granting	1	1096518	1.08%	ICRA/JAAA
INE848E07AW7	7.38%NHPC 03.01.2029	Electric power generation by hydroelectric power plants	10	2050678	2.03%	ICRA/JAAA
INE733E07KA6	8.05% NTPC 5 May 2026	Electric power generation by coal based thermal power plants	3	3215787	3.18%	ICRA/JAAA
INE031A08624	8.52% HUDCO 28 Nov 2028 (GOI Service)	Activities of specialized institutions granting credit for house purchase	1	1092138	1.08%	ICRA/JAAA
INE206D08162	9.18% Nuclear Power Corporation of India Limited 23-Jan-2029	Transmission of electric energy	2	2255444	2.23%	CRISIL AAA
Subtotal A				9,05,18,052.60	89.40%	

Money Market Instruments:		Market Value	% of Portfolio	Rating
- Treasury Bills		NIL	-	
- Money Market Mutual Funds		7409629.91	7.32%	
- Certificate of Deposits / Commercial Papers		NIL	-	
- Application Pending Allotment		NIL	-	
- Bank Fixed Deposits (≤ 3 Year)		NIL	-	
NCA Net Current assets		3317336.38	3.28%	
Sub Total B		1,07,26,966	10.60%	
GRAND TOTAL (sub total A + sub total B)		10,12,45,018	100.00%	

Average Maturity of Portfolio (In yrs)	5.50
Modified Duration (In yrs)	4.07
Yield to Maturity (%) (annualised)(at market price)	6.45%
Net Asset Value	14,87,3200
Net asset value last month	14,66,3600
Total Investment in Infrastructure (Rs In Cr.)	4.63
Total outstanding exposure to derivatives	-
Total NPA provided for	-

CREDIT RATING EXPOSURE		Market Value	% of Portfolio	Rating
Securities				
AAA / Equivalent		8,84,69,876	87.38%	
AA+ / Equivalent		20,48,177	2.02%	



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**Notes to Accounts**

**9 Investments**

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

9.2 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, 2022

Security particulars	no of shares/bonds	Cost	Market Value (Cr)	no of shares/bonds	Cost	Market Value (Cr)
	0	0	0	0	0	0

9.3 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	Cost	Market Value (Cr)	Cost	Market Value (Cr)
NIL		0	0	0	0

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

Particular	As on 31.03.2022	As on 31.03.2021	As on 31.03.2021	As on 31.03.2021
	Rs in Crs	% to AALIM	Rs in Crs	% to AALIM
Unrealized Gain	0.15	1.70%	4.83	3.85%
Unrealized Loss	0.08	0.97%	5.29	0.97%
Net Unrealized Gain/Loss	0.07	0.81%	10.12	2.89%

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

Particular	31.03.2022	31.03.2021
Average Net Asset Value	820	518
Purchase of Investment	386	2,831
% to average Net Asset Value	47.11%	546.72%
Sale of Investment	68	2,543
% to average Net Asset Value	8.30%	491.05%

10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

List of related Party Relations  
 Grasim Industries Limited Ultimate Holding Company of the PFM  
 Aditya Birla Capital Limited Intermediary Holding Company of the PFM  
 Aditya Birla Sun Life Insurance Company Limited Sponsor  
 Aditya Birla Sun Life Pension Management Limited PFM

Following are the transactions with Associates & Group companies under the scheme

Name of related party	Nature of relationship	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	27,419	4,192

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

Particular	31.03.2022	31.03.2021
Investment management fees	36,000	6,103

Balance with Aditya Birla Sun Life Pension management Ltd

Particular	31.03.2022	31.03.2021
Investment Management Fees payable	8581	1910

11 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 6807201

12 Unit NAV

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	14.8732	13.9536

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

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date

For SARD & PAREEK LLP

Chartered Accountants

Firm Reg. No.1082276

MUMBAI

GAURAV SARD

Partner

Membership No.10208

Place : Mumbai

Date : 24/06/2022

For and on behalf of NPS Trust

Shri Dinesh Kumar Mehrotra

(Chairman, NPS Board)

MUMBAI

For Aditya Birla Sun Life Pension Management Company Limited

Vikas Seth

(CEO)

Kamlesh Rao

(Director)

S.C.Bhargava

(Director)

Sri. Sashi Krishnan

(Chief Executive officer)

MUMBAI

24th JUNE 2022



## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited. – Scheme G- Tier II ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.



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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in schedule 7.1.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208ALOBAC4836

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, 2022**

**Aditya Birla Sun Life Pension Management Ltd.**

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Correspondence & Registered Office:

One World Center, Tower-1, 16<sup>th</sup> Floor,  
Jupiter Mill Compound, 841, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 011  
CIN: U66000MH2015PLC26080

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## ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED

NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_II  
AUDITED BALANCE SHEET AS AT 31st MAR 2022

Particulars	Schedule	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	10,96,84,275	8,03,35,662
Reserves and Surplus	2	4,51,53,968	2,82,55,518
Current Liabilities and Provisions	3	5,94,894	6,17,701
<b>Total</b>		<b>15,54,33,137</b>	<b>10,92,08,881</b>
<b>Assets</b>			
Investments	4	15,12,75,076	10,63,07,047
Other Current Assets	5	41,58,061	29,01,834
<b>Total</b>		<b>15,54,33,137</b>	<b>10,92,08,881</b>
(a) Net assets as per Balance Sheets		15,48,38,243	10,85,91,181
(b) Number of units outstanding		1,09,68,428	80,33,566
Significant Accounting Policies	6		
The accompanying notes are an integral part of the financial statements.			
The accompanying notes are an integral part of the financial statements.			



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_G\_TIER\_II**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	31st Mar 2021
<b>(In Rs.)</b>		
<b>Income</b>		
Interest	87,40,344	49,69,794
Profit on sale/redemption of investments	11,98,133	5,21,441
<b>Total income (A)</b>	<b>99,38,477</b>	<b>54,91,235</b>
<b>Expenses and losses</b>		
Unrealised losses in value of Investments	41,50,191	13,23,243
Loss on sale/redemption of investments	4,28,148	-
Management fees (including GST)	60,092	9,058
NPS Trust Fees	6,649	3,838
Custodian fees	4,388	2,436
Depository and settlement charges	2,762	1,182
Stamp Duty on Bond/Mutual Fund	-	4,964
CRA fees	23,317	17,817
Less: Amount recoverable by sale of units on account of CRA Charges	(23,317)	(17,817)
<b>Total Expenditure (B)</b>	<b>46,52,229</b>	<b>13,44,721</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>52,86,249</b>	<b>41,46,514</b>
Less: Amount transferred to Unrealised appreciation account	(41,50,191)	(13,23,243)
Less: Amount transferred to General Reserve	94,36,439	54,69,757
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

		(In Rs.)
	31st Mar 2022	31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	8,03,35,662	4,26,56,739
Add: Units issued during the year	11,92,17,851	11,21,13,982
Less: Units redeemed during the year	(8,98,69,238)	(7,44,35,058)
<b>Outstanding at the end of the year (₹)</b>	<b>10,96,84,275</b>	<b>8,03,35,662</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	80,33,566	42,65,674
Add: Units issued during the year	1,19,21,785	1,12,11,398
Less: Units redeemed during the year	(89,86,924)	(74,43,506)
<b>Outstanding Units at the end of the year</b>	<b>1,09,68,428</b>	<b>80,33,568</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	1,64,49,799	33,71,956
Add: Premium on Units Issued	4,67,88,071	3,79,83,554
Less: Premium on Units redeemed	(3,51,75,869)	(2,49,05,711)
<b>Closing Balance</b>	<b>2,80,62,001</b>	<b>1,64,49,799</b>
<b>General Reserve</b>		
Opening Balance	1,03,30,680	48,60,924
Add: Transfer from Revenue Account	94,36,439	54,69,757
<b>Closing Balance</b>	<b>1,97,67,119</b>	<b>1,03,30,680</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	14,75,039	27,98,281
Add/(Less): Transfer from/(to) Revenue Account	(41,50,191)	(13,23,243)
<b>Closing Balance</b>	<b>(26,75,152)</b>	<b>14,75,039</b>
<b>Total</b>	<b>4,51,53,968</b>	<b>2,82,55,518</b>

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_G\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	16,782	4,607
Redemption Payable	5,78,112	8,13,094
<b>Total</b>	<b>5,94,894</b>	<b>6,17,701</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Central and State Government Securities (including treasury bills)	14,36,55,457	9,80,48,410
Others - Mutual Fund Units	76,19,619	82,58,638
<b>Total</b>	<b>15,12,75,076</b>	<b>10,63,07,047</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	11,25,806	8,14,007
Outstanding and accrued income	23,32,255	15,87,826
Sundry Debtors	7,00,000	7,00,000
<b>Total</b>	<b>41,58,061</b>	<b>29,01,834</b>

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

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

### 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 ICRA Analytics Ltd 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 1<sup>st</sup> January 2020 and shall be followed henceforth.

Type of Security	Valuation Methodology
<b>Securities with residual maturity of more than 30 days</b>	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.
<b>Securities with residual maturity of upto 30 days</b>	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 10:00 pm.

### 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

### **5 Units reconciliation**

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

### **6 Investment management fees**

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

<b>Slabs of AUM</b>	<b>Maximum Investment Management Fee</b>
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any



## **7 Trustee fees**

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_G\_TIER\_II

Note 7				
S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	13.5172	12.5884	Closing NAV as on 1st April of the Current F Y
	High	14.1923	13.7639	Highest NAV during the F Y
	Low	13.5198	12.3483	Lowest NAV during the F Y
	End	14.1167	13.5172	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. In Lakhs)			
	End	1,548.38	1,085.91	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	1,330.84	788.99	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	7.47%	7.14%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	3.50%	1.75%	Total Expense = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.05%	0.01%	IM fees (Including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	3.97%	5.38%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	41.27%	8.62%	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	4.44%	7.40%	
	Bench Mark	3.08%	6.04%	
	Last 3 Years	8.72%	10.30%	
	Bench Mark	8.12%	9.84%	
	Since Launch of the scheme (15.05.2017)	7.30%	8.04%	CAGR = $\left( \frac{(1 + \text{cumulative return})^n}{n} \right) - 1$ (where n=365/no. of days)

\*Declared NAV. Returns calculated based on declared NAV

## NAME OF PENSION FUND

## ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED

## SCHEME NAME

Scheme G TIER II

## MONTH

31st Mar 2022

## Note 8

ISIN No.	Name of the Instrument	Industry /Sector	Quantity	Market Value	% of Portfolio
IN0020150077	7.72% GOI 26.10.2055.	GOI	7,000	738115	0.48%
IN0020140078	8.17% GS 2044 (01-DEC-2044).	GOI	33,000	3652849.2	2.36%
IN0020190024	7.62% GS 2039 (15-09-2039)	GOI	10,000	1042131	0.67%
IN0020190040	7.69% GOI 17.06.2043	GOI	10,000	1051940	0.68%
IN0020100031	8.30% GS 02.07.2040	GOI	41,400	4593404.52	2.97%
IN0020020106	7.95% GOI 28-Aug-2032	GOI	1,18,300	12645276.28	8.17%
IN0020060078	8.24% GOI 15-Feb-2027	GOI	69,900	7555770.6	4.88%
IN0020170174	7.17% GOI 08-Jan-2028	GOI	1,45,000	14935087	9.65%
IN0020200153	05.77% GOI 03-Aug-2030	GOI	30,000	2811009	1.82%
IN0020200245	6.22% GOI 2035 (16-Mar-2035)	GOI	74,600	6922894.92	4.47%
IN0020020247	6.01% GOVT 25-March-2028	GOI	15,000	1462092	0.94%
IN0020210152	06.67 GOI 15 DEC- 2035	GOI	1,00,000	9602250	6.20%
IN3120150203	8.69% Tamil Nadu SDL 24.02.2026	SDL	3,500	379921.15	0.25%
IN2020170147	8.13 % KERALA SDL 21.03.2028	SDL	1,900	201355.92	0.13%
IN2020180039	8.33 % KERALA SDL 30.05.2028	SDL	10,000	1069561	0.69%
IN3120180010	SDL TAMIL NADU 8.05% 2028	SDL	10,000	1056475	0.68%
IN1020180411	8.39% ANDHRA PRADESH SDL 06.02.2031.	SDL	10,000	1077345	0.70%
IN1920180149	8.19% Karnataka SDL 2029	SDL	10,000	1062819	0.69%
IN4520180204	8.38% Telangana SDL 2049	SDL	10,000	1112392	0.72%
IN1520130072	9.50% GUJARAT SDL 11-SEP-2023.	SDL	20,000	2117690	1.37%
IN2220200264	6.63% MAHARASHTRA SDL 14-OCT-2030	SDL	20,000	1943052	1.25%
IN2220150196	8.67% Maharashtra SDL 24 Feb 2026	SDL	10,000	1084807	0.70%
IN1920190098	7.23% Karnataka SDLO6-Nov-2028	SDL	30,000	3041958	1.96%
IN1920190056	07.15% KARNATAKA SDL 09-Oct-2028	SDL	20,000	2024806	1.31%
IN0020070044	8.32% GS 02.08.2032	GOI	46,000	5026866.2	3.25%
IN0020150010	7.68% GS 15.12.2023	GOI	5,000	521450.5	0.34%
IN0020160068	7.06 % GOI 10.10.2046	GOI	20,000	1971012	1.27%
IN0020060045	8.33% GS 7.06.2036	GOI	38,000	4208310	2.72%
IN0020150028	7.88% GOI 19.03.2030	GOI	46,200	4906440	3.17%
IN0020160100	6.57% GOI 2033 (MD 05/12/2033)	GOI	1,86,000	17905141.2	11.56%
IN0020160019	7.61% GSEC 09.05.2030	GOI	68,000	7118913.2	4.60%
IN0020070036	8.26% Government of India 02.08.2027	GOI	1,26,500	13674650	8.83%
IN0020150051	7.73% GS MD 19/12/2034	GOI	39,400	4137421.58	2.67%
IN0020160118	6.79% GS 26.12.2029	GOI	10,000	1000251	0.65%
					-
	Subtotal A			14,36,55,457.27	92.78%

	Money Market Instruments:-	Market Value	% of Portfolio
	- Treasury Bills	Nil	-
	- Money Market Mutual Funds	7619619.17	4.92%
	- Certificate of Deposits / Commercial Papers	Nil	-
	- Application Pending Allotment	Nil	-
	- Bank Fixed Deposits (< 1 Year)	Nil	-
NCA	Net Current assets	3563163.47	2.30%
	Sub Total B	1,11,82,786	7.22%
	GRAND TOTAL (sub total A + sub total B)	15,48,38,243	100.00%

Average Maturity of Portfolio (in yrs)	10.17
Modified Duration (in yrs)	6.61
Yield to Maturity (%) (annualised)(at market price)	6.96%
Net Asset Value	14.116700
Net asset value last month	13.949400
Total Investment in Infrastructure	
Total outstanding exposure to derivatives	
Total NPA provided for	

	CREDIT RATING EXPOSURE	Market Value	% of Portfolio
	Securities		
	Central Govt. Securities	12,74,83,275	82.33%
	State Development Loans	1,61,72,182	10.44%

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST**

**Notes to Accounts**

**9 Investments**

**9.1 All investments of the scheme are in the name of the NPS trust.**

**9.2 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, 2022

Security particulars	31-03-2022		31-03-2021	
	Cost	Market Value (Cr)	Cost	Market Value (Cr)
no of shares/bonds	0	0	0	0

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

Security particulars	31-03-2022		31-03-2021	
	Cost	Market Value (Cr)	Cost	Market Value (Cr)
Value of security	0	0	0	0
no of shares/bonds	0	0	0	0

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

Particular	As on 31.03.2022		As on 31.03.2021	
	Rs In Crs	% to AALIM	Rs In Crs	% to AALIM
Unrealised Gain	0.07	0.50%	1.73	3.25%
Unrealised Loss	0.33	2.51%	13.75	1.43%
Net Unrealised Gain/Loss	-0.27	-2.01%	15.48	1.82%

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

Particular	31.03.2022	31.03.2021
Average Net Asset Value	1,331	769
Purchase of Investment	1,452	3,118
% to average Net Asset Value	79.05%	414.57%
Sale of Investment	549	2,654
% to average Net Asset Value	41.27%	342.46%

**10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

List of related Party	Relations	Nature of transaction	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Grasim Industries Limited	Ultimate Holding Company of the PFM	Management fees paid	48,091	6,107
Aditya Birla Capital Limited	Intermediate Holding Company of the PFM			
Aditya Birla Sun Life Insurance Company Limited	Sponsor			
Aditya Birla Sun Life Pension Management Limited	PFM			

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

Name of related party	Nature of transaction	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	48,091	6,107

**The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022**

Particular	31.03.2022		31.03.2021	
	Investment management fees	60,092	9,058	
Balance with Aditya Birla Sun Life Pension management Ltd.				
Particular	31.03.2022		31.03.2021	
	Investment Management Fees payable	14,001	2851	

# 11 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 10988428

## 12 Unit NAV

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	14.1167	13.5172

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

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

15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDAR & PAREEK LLP  
Chartered Accountants  
Firm Reg. No.109262W

Gaurav Sarda  
Partner  
Membership No.111256  
Place : Mumbai  
Date : 24/06/2022  
For and on behalf of NPS Trust

For Aditya Birla Sun Life Pension Management Company Limited

Vikas Sethi  
(CEO)  
Aditya Birla Sun Life Pension Management Ltd.

S.C.Bhargava  
(Director)

Sh. Sashir Krishnan  
(Chief Executive officer)



Shri Dinesh Kumar Mehrotra  
(Chairman, NPS Board)

MUMBAI

24th JUNE 2022



## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of **National Pension System Trust**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone financial statements of **NPS Trust – A/c Aditya Birla Sun Life Pension Fund Management Limited. – Tax Saver ("the Scheme")**, under the National Pension System trust (NPS Trust) managed by Aditya Birla Sun Life Pension Fund Management Limited. (Hereinafter referred to as "PFM") which comprises the Balance Sheet as at March 31, 2022, and the Revenue Account for the year then ended, and notes to the financial statements, including 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 Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India

- a. In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2022, and
- b. In case of Revenue Account, of the surplus of the scheme for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Standalone financial statements 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matters**

The transactions initiated by subscribers in the scheme are maintained by Central Recordkeeping Agency ("CRA") and have not been subjected to audit by us.

However, we do not modify our opinion to that extent.

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

The Management of PFM is responsible for the preparation of the other information. The Other Information comprises the Information included in the **Key Statistics, Other information in Annual Report, Abridged Financials & Review Report** but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management of the PFM, In accordance with the pension fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (IMA) with the NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA to scheme.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 the Management/ NPS Trust either intends to close the Scheme, or has no realistic alternative but to do so.

The management is responsible for overseeing the Scheme's financial reporting process. These financial statements are also approved by NPS Trust on the recommendation of the Board of Directors of the PFM.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

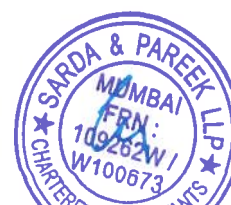
We communicate with those charged to governance regarding, among other matters, the planned scope and timing of the audit and significant audit finding, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance regarding 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 PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guidelines 2012, and amendment thereto, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by PFRDA have been kept by the PFM so far as it appears from our examination of those books.
- c. The Balance Sheet and Revenue Account of the Scheme are in agreement with the books of account of the Scheme.
- d. In our opinion, all transaction expenses in excess of the limits contractually agreed to/approved by the PFRDA are borne by the PFM and are not charged to the NAV of the Scheme.



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- e. In our opinion the Balance Sheet and Revenue Account of the scheme dealt with by this report comply with the Accounting Standards specified under Section 133 of the companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent made applicable by PFRDA.

We further certify that

- Transaction and claim/fees raised by different entities are in accordance with the prescribed fee except that in case of fees claimed by CRA, we are unable to verify the same in view of unbundled architecture as explained in schedule 7.1.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN no. 109262W/W100673

  
**Gaurav Sarda**

Partner

Membership No. 110208



Place: Mumbai

Date: 24/06/2022

UDIN: 22110208AL0ERQ8720

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, 2022**

Aditya Birla Sun Life Pension Management Ltd.

+91 22 6723 9100

care.pensionfunds@adityabirlacapital.com | <https://pensionfund.adityabirlacapital.com>

Correspondence & Registered Office:

One World Center, Tower-1, 16<sup>th</sup> Floor,  
Jupiter Mill Compound, 841, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 013

CIN: U66003MH2015PLC260801

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_TAX\_SAVER\_TIER\_II  
AUDITED BALANCE SHEET AS AT 31st MAR 2022**

Particulars	Schedule	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Liabilities</b>			
Unit Capital	1	24,70,958	7,20,211
Reserves and Surplus	2	2,71,680	18,512
Current Liabilities and Provisions	3	351	138
<b>Total</b>		<b>27,42,990</b>	<b>7,38,861</b>
<b>Assets</b>			
Investments	4	27,17,108	6,88,681
Other Current Assets	5	25,881	50,180
<b>Total</b>		<b>27,42,990</b>	<b>7,38,861</b>
(a) Net assets as per Balance Sheets		27,42,639	7,38,723
(b) Number of units outstanding		2,47,096	72,021
Significant Accounting Policies	6		
The accompanying notes are an integral part of the financial statements.			
The accompanying notes are an integral part of the financial statements.			



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**  
**NATIONAL PENSION SYSTEM TRUST**  
**SCHEME\_TAX\_SAVER\_TIER\_II**  
**AUDITED REVENUE ACCOUNT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Income</b>		
Dividend	2,914	213
Interest	84,951	5,482
Profit on sale/redemption of investments	14,215	882
Unrealised gain on appreciation in investments	27,434	-
Other Income	57	-
<b>Total Income (A)</b>	<b>1,09,571</b>	<b>6,576</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	4,776	560
Loss on sale/redemption of Investments	15,640	-
Management fees (including GST)	769	16
NPS Trust Fees	68	7
Custodian fees	39	3
Depository and settlement charges	566	148
Stamp Duty on Bond/Mutual Fund	-	19
CRA fees	-	-
Less: Amount recoverable by sale of units on account of CRA Charges	-	-
<b>Total Expenditure (B)</b>	<b>21,858</b>	<b>753</b>
<b>Surplus/(Deficit) for the year (A-B)</b>	<b>87,713</b>	<b>5,823</b>
Less: Amount transferred to Unrealised appreciation account	22,658	(560)
Less: Amount transferred to General Reserve	65,054	6,383
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>



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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_TAX\_SAVER\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	31st Mar 2022	(In Rs.) 31st Mar 2021
<b>Schedule 1 - Unit Capital</b>		
Outstanding at the beginning of the year	7,20,211	-
Add: Units Issued during the year	17,50,747	7,20,211
Less: Units redeemed during the year	-	-
<b>Outstanding at the end of the year (₹)</b>	<b>24,70,958</b>	<b>7,20,211</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the year	72,021	-
Add: Units Issued during the year	1,75,075	72,021
Less: Units redeemed during the year	-	-
<b>Outstanding Units at the end of the year</b>	<b>2,47,096</b>	<b>72,021</b>
<b>Schedule 2 - Reserves and Surplus</b>		
<b>Reserves and Surplus</b>		
<b>Unit Premium Reserve</b>		
Opening Balance	12,689	-
Add: Premium on Units Issued	1,65,456	12,689
Less: Premium on Units redeemed	-	-
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>1,78,145</b>	<b>12,689</b>
<b>General Reserve</b>		
Opening Balance	6,383	-
Add: Transfer from Revenue Account	65,054	6,383
<b>Closing Balance</b>	<b>71,438</b>	<b>6,383</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	(560)	-
Add/(Less): Transfer from/(to) Revenue Account	22,858	(560)
<b>Closing Balance</b>	<b>22,098</b>	<b>(560)</b>
<b>Total</b>	<b>2,71,680</b>	<b>18,512</b>

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**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST  
SCHEME\_TAX\_SAVER\_TIER\_II**

**SCHEDULES FORMING PART OF THE YEAR ENDED FINANCIAL STATEMENTS AS ON 31st MAR 2022**

	(In Rs.)	
	31st Mar 2022	31st Mar 2021
<b>Schedule 3 - Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	351	138
<b>Total</b>	<b>351</b>	<b>138</b>
<b>Schedule 4 - Investments</b>		
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	3,88,901	1,00,090
Central and State Government Securities (Including treasury bills)	10,78,270	5,52,949
Others - Mutual Fund Units	12,49,938	35,642
<b>Total</b>	<b>27,17,108</b>	<b>6,88,681</b>
<b>Schedule 5 - Other Current Assets</b>		
Balances with bank in current account	19,382	41,759
Outstanding and accrued income	6,409	8,402
Dividend Receivable	90	20
<b>Total</b>	<b>25,881</b>	<b>50,180</b>



## **NPS TRUST ADITYA BIRLA SUN LIFE PENSION MANAGEMENT LIMITED (ABSLPML) - SCHEME TAX SAVER TIER II**

### **Note 6**

#### **Significant accounting policies & notes to Financial Statements**

##### **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 Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. CRA is responsible to resolve all queries pertaining to investors.

Protean eGov Technologies Ltd, KFIN Technologies Pvt. Ltd and Computer Age Management Services Limited have set up Central Recordkeeping Agency (CRA) for the NPS. 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.

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

Axis Bank is the designated as the Trustee Bank. 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.

##### **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.

### 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 ICRA Analytics Ltd 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 1<sup>st</sup> 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 %

## Valuation Policy:

S.No	Equity Instruments/ETFs	Valuation Methodology
1)	<b>Securities traded on valuation day</b>	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)	<b>Securities not traded on valuation day</b>	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)	<b>Securities suspended for reasons other than corporate Actions</b>	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)	<b>Index Funds</b>	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)	<b>Exchange Traded Funds</b>	As per the closing price of the day of the respective stock exchange.
6)	<b>IPO Application</b>	1. IPO application money pending allotment at cost basis. 2. Post allotment but awaiting listing at allotment price.
7)	<b>Valuation of Futures and Options</b>	<b>Options:</b> i) If traded, then closing price to be considered ii) If not traded, then theoretical price based on Black Scholes Model may be considered. <b>Futures:</b> All futures shall be valued at the settlement price declared by the exchanges where they are traded in.
8)	<b>Valuation of Warrants.</b>	<b>a) Traded</b> In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares. <b>b) Non-traded</b> 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)	<b>Valuation of Preference Shares</b>	<b>a) Traded Securities</b> 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>b) Thinly Traded / Non-Traded / Unlisted Securities</b> Non-Convertible and Convertible components would be valued separately.

		<p>i) <b>Non-Convertible component</b> would be valued on the basis of norms governing the valuation of Non- Convertible Debentures and Bonds.</p> <p>ii) <b>Convertible component</b> 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)	<b>Valuation of Rights</b>	<p>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'.</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)	<b>De-Merger</b>	<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 &amp; traded on de-merger:</p> <ul style="list-style-type: none"> <li>• Traded shares are to be valued at traded price</li> <li>• 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:</li> </ul> <ol style="list-style-type: none"> <li>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</li> <li>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</li> <li>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.</li> </ol>
2)	<b>Merger</b>	<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>

3)	<b>Buy-back of Securities</b>	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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Debt Instruments	Valuation Methodology
<b>Securities with residual maturity of more than 30 days</b>	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.
<b>Securities with residual maturity of upto 30 days</b>	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 10:00 pm.

#### **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

#### **5 Units reconciliation**

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

## 6 Investment management fees

Investment Management Fees are recognised on daily accrual basis on closing Asset under Management (AUM) in accordance with IMA.

In terms of grant of fresh registration certificate dated December 10, 2021, by the Pension Fund Regulatory and Development Authority, the Company charges revised Investment Management Fee with effect from December 11, 2021 as per the following slab structure basis the aggregate Asset Under Management managed by the Company under all scheme:

Slabs of AUM	Maximum Investment Management Fee
Upto 10,000 Cr.	0.09%
10,001 – 50,000 Cr.	0.06%
50,001 – 1,50,000 Cr.	0.05%
Above 1,50,000 Cr.	0.03%

The above rates of investment management fee are exclusive of brokerage, custodian fee and applicable taxes thereon. The brokerage shall be adjusted against scheme NAV, subject to maximum brokerage to be charged to the scheme @ 0.03% (including applicable taxes on brokerage) on equity transactions only

Till 10<sup>th</sup> Dec 2021, the Company is 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. The Investment management fee is inclusive of brokerage but excludes custodian charges and applicable taxes, if any.

## 7 Trustee fees

The Company charges 0.005% per annum Trustee fees with effect from 1<sup>st</sup> August 2019., in terms of the National Pension Scheme Trust circular dated 26<sup>th</sup> July 2019 , prior to that the Trustees fees were charged Nil per annum.

## 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.

## 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.

## 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.

#### **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.

#### **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.

#### **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  
ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED  
SCHEME\_TAX\_SAVER\_TIER\_I

Note 7

S. No.	Particulars	31st Mar 2022	31st Mar 2021	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	10.2570	10.0000	Closing NAV as on 1st April of the Current F Y
	High	11.1329	10.3053	Highest NAV during the F Y
	Low	10.2517	9.9801	Lowest NAV during the F Y
	End	11.0899	10.2570	Closing NAV as on 31st March of the Current F Y
2	Closing Assets Under Management (Rs. in Lakhs)			
	End	27.43	7.39	Closing AUM as on 31st March of the Current F Y
	Average (AAUM)	13.73	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	7.98%	2.33%	Gross Income = Total Income as per Revenue Account
4	Expense Ratio			
a	Total Expense as % of AAUM (Scheme wise)	1.59%	0.27%	Total Expenses = Total Expenses as per Revenue Account
b	Management Fee as % of AAUM (Scheme Wise)	0.06%	0.01%	IM fees (including applicable Taxes) as per Revenue Account
5	Net Income as a percentage of AAUM	6.39%	2.07%	Net Income = Surplus / Deficit as per Revenue Account
6	Portfolio turnover ratio	98.62%	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 (%)* Compounded Annualised Yield			
	Last 1 Year	8.21%	NA	
	Bench Mark	0.00%	0.00%	
	Last 3 Years	NA	NA	
	Bench Mark	0.00%	0.00%	
	Since Launch of the scheme (15.05.2017)	2.15%	0.65%	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

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## ISIN No.

31st Mar 2022

Money Market Instruments:-				Market Value	% of Portfolio
	- Treasury Bills			Nil	-
	- Money Market Mutual Funds			1249937.68	45.57%
	- Certificate of Deposits / Commercial Papers			Nil	-
	- Application Pending Allotment			Nil	-
	- Bank Fixed Deposits (< 1 Year)			Nil	-
NCA	Net Current assets			25530.49	0.93%
	Sub Total B			12,75,468	46.51%
	GRAND TOTAL (sub total A + sub total B)			27,42,639	100.00%

CREDIT RATING EXPOSURE			Market Value	% of Portfolio
Securities				
Central Govt. Securities			-	0.00%

**ADITYA BIRLA SUNLIFE PENSION MANAGEMENT LIMITED**

**NATIONAL PENSION SYSTEM TRUST**

**Notes to Accounts**

**9. Investments**

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

9.2 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, 2022

Security particulars	31-03-2022	31-03-2021
	Cost	Cost
	0	0
	no of shares/bonds	no of shares/bonds
	0	0
	Market Value (Cr)	Market Value (Cr)
	0	0

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

Security particulars	31-03-2022	31-03-2021
	Cost	Cost
	0	0
	Market Value (Cr)	Market Value (Cr)
	0	0

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

As on 31.03.2022							As on 31.03.2021		
Particulars		Rs In Crs	% to AALIM	Cost	Market Value (Crn)	Rs in Crs	% to AALIM	Cost	Market Value (Crn)
Unrealised Gain		0.00	2.81%	0.07		0.00	0.00%	0.00%	0.04
Unrealised Loss		0.00	1.20%	0.20	0.20	0.00	0.00%	0.20	0.04
Net Unrealised Gain/Loss		0.00	1.61%	0.27	0.27	0.00	0.00%	0.00%	0.08

9.5 Aggregate value of purchases and sale with percentage to average assets (Rs in Lakhs)

Particular	31.03.2022	31.03.2021
Average Net Asset Value	14	3
Purchase of Investment	22	10
% to average Net Asset Value	157.14%	366.36%
Sale of Investment	4	3
% to average Net Asset Value	98.62%	119.64%

10 The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

List of related Party  
 Aditya Birla Sun Life Pension Management Limited  
 Aditya Birla Capital Limited  
 Aditya Birla Life Insurance Company Limited  
 Aditya Birla Sun Life Pension Management Limited PFM  
 Aditya Birla Sun Life Pension Management Ltd

Name of related party	Nature of relationship	FY 2021-22(Amt in Rs)	FY 2020-21(Amt in Rs)
Aditya Birla Sun Life Pension Management Ltd	Management fees paid	540	3

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

The following represents significant transactions between the company and its related parties for the year ended Mar 31, 2022

Particular	31.03.2022	31.03.2021
Investment management fees	769	16
Balance with Aditya Birla Sun Life Pension management Ltd		
Particular	31.03.2022	31.03.2021
Investment Management Fees payable	229	13

# 11 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 247096

## 12 Unit NAV

Particular	As on 31.03.2022	As on 31.03.2021
NAV per unit (Rs)	11.0995	10.2570

## 13 Details of sectoral classification of investment has been appended as part of notes 8

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

## 15 Previous years figures are regrouped wherever necessary

As per our report of even date  
For SARDAR & PAREEK LLP  
Chartered Accountants  
Firm Reg. No. 108262W

*Gaurav Sarda*  
Partner  
Membership No. 100208  
MUMBAI

For Aditya Birla Sun Life Pension Management Company Limited



*Vikas Seth*  
Vikas Seth  
(CEO)

Kamlesh Rao  
(Director)

*S. C. Bhargava*  
S. C. Bhargava  
(Director)

Place : Mumbai

Date : 24/06/2022  
For and on behalf of NPS Trust

*Shri Dinesh Kumar Mehrotra*  
(Chairman, NPS Board)



Sh. Sashi Krishnan  
(Chief Executive officer)

Shri Dinesh Kumar Mehrotra

MUMBAI

24<sup>th</sup> JUNE 2022

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