

**NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED
COMBINED BALANCE SHEET OF ALL SCHEMES AS AT SEPTEMBER 30, 2018**

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
<u>Liabilities</u>				
Unit Capital	1	33304 78 31 846	29875 24 19 373	26565 97 54 676
Reserves and Surplus	2	44289 63 90 825	39608 02 75 192	34879 57 16 049
Current Liabilities and Provisions	3	10 05 14 670	12 08 59 334	10 31 02 099
Total		77604 47 37 341	69495 35 53 899	61455 85 72 824
<u>Assets</u>				
Investments	4	75824 88 52 678	67924 66 59 110	60064 36 33 051
Deposits	5	-	-	-
Other Current Assets	6	1779 58 84 663	1570 68 94 789	1391 49 39 773
Total		77604 47 37 341	69495 35 53 899	61455 85 72 824
(a) Net assets as per Balance Sheets		77594 42 22 671	69483 26 94 565	61445 54 70 725
(b) Number of units outstanding		3330 47 83 185	2987 52 41 937	2656 59 75 467
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED
COMBINED REVENUE ACCOUNT OF ALL SCHEMES FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		87 14 03 311	37 25 92 937	68 63 34 949
Interest		2464 46 60 566	2125 32 97 609	1849 23 88 341
Profit on sale/redemption of investments		81 36 50 949	166 06 57 921	93 83 44 172
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		1063 00 45 596	574 39 61 236	1297 13 75 759
Other income		-	-	-
- Miscellaneous Income		75 504	-	3 459
Total Income (A)		3695 98 35 926	2903 05 09 703	3308 84 46 680
Expenses and Losses				
Unrealized losses in value of investments		3287 94 91 895	2272 71 36 796	457 11 30 444
Loss on sale/redemption of investments		43 12 73 563	13 62 40 336	9 09 23 458
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		4 44 82 698	3 91 66 766	3 41 03 179
NPS Trust fees		1 84 82 374	3 25 46 298	2 86 84 318
Custodian fees (including service Tax / GST)		1 33 52 373	1 08 83 312	94 71 967
Depository and settlement charges (including service Tax / GST)		28 29 159	24 79 621	20 25 742
CRA Fees		7 61 03 200	6 37 82 150	5 07 88 342
Less: Amount recoverable on sale of units on account of CRA Charges		(7 61 03 200)	(6 37 82 150)	(5 07 88 342)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	214	-
Total Expenditure (B)		3338 99 12 062	2294 84 53 343	473 63 39 108
Surplus/(Deficit) for the year (A-B)		356 99 23 864	608 20 56 360	2835 21 07 572
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		2224 94 46 299	1698 31 75 560	(840 02 45 315)
Less: Amount transferred (to) / from General Reserve		(2581 93 70 163)	(2306 52 31 920)	(1995 18 62 257)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

**NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED**
NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL SCHEMES AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	29875 24 19 373	26565 97 54 676	23585 91 96 942
Add :Units issued during the year	3570 45 32 144	3414 30 66 982	3065 75 37 659
Less: Units redeemed during the year	(140 91 19 671)	(105 04 02 285)	(85 69 79 925)
Outstanding at the end of the year	33304 78 31 846	29875 24 19 373	26565 97 54 676
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	2987 52 41 937	2656 59 75 467	2358 59 19 694
Add :Units issued during the year	357 04 53 215	341 43 06 698	306 57 53 766
Less: Units redeemed during the year	(14 09 11 967)	(10 50 40 228)	(8 56 97 993)
Outstanding units at the end of the year	3330 47 83 185	2987 52 41 937	2656 59 75 467
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Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	23482 59 60 803	19362 34 58 020	15775 18 29 186
Add: Premium on Units issued	4494 75 91 963	4251 82 60 731	3688 16 43 527
Less: Premium on Units redeemed	(170 14 00 194)	(131 57 57 948)	(101 00 14 693)
Add: Transfer from General Reserve	-	-	-
Closing Balance	27807 21 52 572	23482 59 60 803	19362 34 58 020
General Reserve			
Opening Balance	13554 00 07 507	11247 47 75 587	9252 29 13 330
Add: Transfer from Revenue Account	2581 93 70 163	2306 52 31 920	1995 18 62 257
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	16135 93 77 670	13554 00 07 507	11247 47 75 587
Unrealised Appreciation Reserve			
Opening Balance	2571 43 06 882	4269 74 82 442	3429 72 37 127
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(2224 94 46 299)	(1698 31 75 560)	840 02 45 315
Closing Balance	346 48 60 583	2571 43 06 882	4269 74 82 442
Total	44289 63 90 825	39608 02 75 192	34879 57 16 049
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Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	3 92 06 403	4 33 59 715	6 17 45 164
Book Overdraft	-	-	-
Redemption Payable	6 04 29 404	7 67 00 464	4 06 71 238
TDS Payable	8 78 863	7 99 155	6 85 697
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	10 05 14 670	12 08 59 334	10 31 02 099

NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL SCHEMES AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	10815 26 85 747	9513 58 47 282	8820 87 56 885
Preference Shares	2 66 07 076	2 55 78 782	-
Debentures and Bonds Listed/Awaiting Listing	25427 22 72 172	23972 13 41 189	21543 85 69 862
Central and State Government Securities (including treasury bills)	38119 54 65 389	33784 92 32 497	29363 20 79 525
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	1460 18 22 294	651 46 59 360	336 42 26 779
Total	75824 88 52 678	67924 66 59 110	60064 36 33 051

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1 65 00 033	72 85 18 604	60 842
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	1739 54 66 092	1496 91 26 597	1391 48 78 931
Dividend Receivable	3 39 18 538	92 49 588	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	35 00 00 000	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	1779 58 84 663	1570 68 94 789	1391 49 39 773

NATIONAL PENSION SYSTEM TRUST

NPS Trust A/c - UTI Retirement Solutions Limited all Schemes

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare the Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations is given below :-

Sr. No.	Name of Scheme	Date of Inception
1.	Scheme E - Tier I	21 st May, 2009
2.	Scheme E - Tier II	14 th December, 2009
3.	Scheme C - Tier I	21 st May, 2009
4.	Scheme C - Tier II	14 th December, 2009
5.	Scheme G - Tier I	21 st May, 2009
6.	Scheme G - Tier II	14 th December, 2009
7.	Scheme A - Tier I	14 th October, 2016
8.	Scheme A - Tier II	20 th October, 2016
9.	Scheme - Central Govt.	1 st April, 2008
10.	Scheme - State Govt.	25 th June, 2009
11.	NPS Lite Scheme - Govt. Pattern	4 th October, 2010
12.	Scheme - Corporate CG	5 th November, 2012
13.	Atal Pension Yojana	4 th June, 2015

3. Investment pattern to be followed as per PFRDA Regulations:

Sr. No.	Name of Scheme	Investment Objective
1.	Scheme E - Tier I	To optimize returns through investments in :- a. Shares of companies which are listed in BSE or NSE which have market capitalization of not less than Rs. 5000 crore as on the date of investment and on which derivatives are available; b. Units of Mutual funds regulated by the SEBI, which have minimum 65% of their investment in shares of body corporates listed on BSE or NSE;
2.	Scheme E - Tier II	c. ETFs / Index Funds regulated by the SEBI that replicate the portfolio of either BSE Index of NSE Nifty 50 Index; d. ETFs issued by SEBI regulated Mutual Funds constructed specifically for disinvestment of shareholding of the Government of India in body corporate; and e. Exchange traded derivatives regulated by SEBI
3.	Scheme C - Tier I	To optimize returns through investments in: - a. Listed (or proposed to be listed) debt securities issued by bodies corporate, including banks and public financial institutions, which have a minimum residual maturity period of three years from the date of investment; b. Basel III Tier - 1 Bonds issued by scheduled commercial banks under RBI Guidelines;
4.	Scheme C - Tier II	c. Rupee Bonds having an outstanding maturity of at least 3 years issued by institutions of the International Bank for Reconstruction and Development, International Finance Corporation and the Asian Development Bank; and d. Term deposit Receipts of not less than one year duration issued by scheduled commercial banks.
5.	Scheme G - Tier I	To optimize returns through investments in: - a. Government Securities; b. Other Securities the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government; and
6.	Scheme G - Tier II	c. Units of mutual funds set up as dedicated funds for investment in Government securities and regulated by the SEBI.

7.	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.												
8.	Scheme A - Tier II													
9.	Scheme - Central Govt.	To optimize returns by investing in the instruments as per the following prescribed limits: -												
10.	Scheme - State Govt.	<table border="1"> <thead> <tr> <th>Instrument</th> <th>Limit</th> </tr> </thead> <tbody> <tr> <td>Govt. Securities</td> <td>Upto 50%</td> </tr> <tr> <td>Debt Securities i.e. Corporate Bonds, Term Deposit Receipts etc.</td> <td>Upto 45%</td> </tr> <tr> <td>Short Term Debt Instruments and related investments</td> <td>Upto 5%</td> </tr> <tr> <td>Equity and related investments</td> <td>Upto 15%</td> </tr> <tr> <td>Asset Backed, Trust Structured and Miscellaneous Investments</td> <td>Upto 5%</td> </tr> </tbody> </table>	Instrument	Limit	Govt. Securities	Upto 50%	Debt Securities i.e. Corporate Bonds, Term Deposit Receipts etc.	Upto 45%	Short Term Debt Instruments and related investments	Upto 5%	Equity and related investments	Upto 15%	Asset Backed, Trust Structured and Miscellaneous Investments	Upto 5%
Instrument	Limit													
Govt. Securities	Upto 50%													
Debt Securities i.e. Corporate Bonds, Term Deposit Receipts etc.	Upto 45%													
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Equity and related investments	Upto 15%													
Asset Backed, Trust Structured and Miscellaneous Investments	Upto 5%													
11.	NPS Lite Scheme - Govt. Pattern													
12.	Scheme - Corporate CG													
13.	Atal Pension Yojana													

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.

2. Investments:

- a. Investments are accounted on trade date.
- b. Cost is determined on the basis of weighted average cost.
- c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.

- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
 - iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
 - iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
 - viii. Partly paid bonds are valued at cost till it is fully paid.
 - ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
- c. Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
- d. Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
- 4. Appreciation/Depreciation,** as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.

5. Income Recognition:

- a. Dividend income is accrued on the "ex-dividend" date.
- b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
- d. Interest on Fixed Deposits is accounted on accrual basis.

6. Computation of NAV: The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. Unit Premium Reserve: Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	Impact was not ascertainable.
2. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 127.63 Crores.

<p>3. Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded, which is contrary to the stipulation in accounting policy.</p>	<p>Money Market instruments are valued as per debt securities. i.e. upto 60 days residual maturity - Amortisation, above 60 days - YTM basis.</p>	<p>Impact was not ascertainable.</p>
<p>4. Front-end discount should be reduced from the Cost of investments.</p>	<p>Front-end discount is taken to Income.</p>	<p>Impact was not ascertainable.</p>

E. **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.

F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is ₹ 4,44,82,698/- (Previous Period ₹ 3,91,66,766/-) including Service Tax / GST.

G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are ₹ 1,84,82,374/- (Previous Period ₹ 3,25,46,298/-).

H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
53,182.97	72.09	42,755.35	57.96	48,413.72	74.13	38,686.94	59.23

I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 10,494.26 Crores (Previous Period ₹ 10,927.36 Crores).

J. Net Asset Value:

Sr. No.	Name of Scheme	Current Period		Previous Period
		As on 30th Sept, 2018* (in ₹)	As on 28th Sept, 2018** (in ₹)	As on 31st March, 2018 (in ₹)
1.	Scheme E - Tier I	28.1910	28.1909	26.6015
2.	Scheme E - Tier II	22.9975	22.9972	21.5731
3.	Scheme C - Tier I	22.2903	22.2803	22.3880
4.	Scheme C - Tier II	21.3725	21.3629	21.4076
5.	Scheme G - Tier I	20.3318	20.3229	20.4148
6.	Scheme G - Tier II	20.8466	20.8374	20.9458
7.	Scheme A - Tier I	11.3866	11.3805	10.9848
8.	Scheme A - Tier II	10.0000	10.0000	10.0000
9.	Scheme - Central Govt	25.4533	25.4435	25.3233
10.	Scheme - State Govt.	22.6515	22.6428	22.5518
11.	NPS Lite Scheme - Govt. Pattern	21.1720	21.1638	21.0081
12.	Scheme - Corporate CG	10.0000	10.0000	10.0000
13.	Atal Pension Yojana	12.9848	12.9799	12.9130

* NAV not declared, being a non - business day

** On last business day

K. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
3,695.98	5.01	3,338.99	4.53	2,903.05	4.44	2,294.85	3.51

L. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 43,159.49	₹ 1,460.18	₹ 38,414.68	₹ 651.47

N. Portfolio: Please refer scheme wise financials for industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018.

O. The Previous Period figures are regrouped/ reclassified, wherever necessary.

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME E - TIER I
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
<u>Liabilities</u>				
Unit Capital	1	96 44 26 710	84 72 90 587	63 49 19 685
Reserves and Surplus	2	175 43 96 427	140 66 33 441	98 58 49 079
Current Liabilities and Provisions	3	18 76 993	34 50 062	17 22 363
Total		272 07 00 130	225 73 74 090	162 24 91 127
<u>Assets</u>				
Investments	4	271 97 12 338	225 69 51 015	162 17 60 122
Deposits	5	-	-	-
Other Current Assets	6	9 87 792	4 23 075	7 31 005
Total		272 07 00 130	225 73 74 090	162 24 91 127
(a) Net assets as per Balance Sheets		271 88 23 137	225 39 24 028	162 07 68 764
(b) Number of units outstanding		9 64 42 671	8 47 29 059	6 34 91 968
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME E - TIER I
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		2 24 00 392	73 99 442	1 27 35 183
Interest		-	-	-
Profit on sale/redemption of investments		98 84 205	63 76 267	1 88 95 667
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		25 28 80 159	10 94 65 130	13 97 56 471
Other income		-	-	-
- Miscellaneous Income		791	-	911
Total Income (A)		28 51 65 547	12 32 40 839	17 13 88 232
Expenses and Losses				
Unrealized losses in value of investments		14 43 59 800	6 72 65 733	7 76 68 772
Loss on sale/redemption of investments		52 92 727	-	10 95 193
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 55 804	1 11 663	87 850
NPS Trust fees		66 019	94 631	75 345
Custodian fees (including service Tax / GST)		43 832	23 468	22 373
Depository and settlement charges (including service Tax / GST)		6 317	4 482	3 727
CRA Fees		12 33 207	13 32 107	9 06 062
Less: Amount recoverable on sale of units on account of CRA Charges		(12 33 207)	(13 32 107)	(9 06 062)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	308	-
Total Expenditure (B)		14 99 24 499	6 75 00 285	7 89 53 260
Surplus/(Deficit) for the year (A-B)		13 52 41 048	5 57 40 554	9 24 34 972
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(10 85 20 359)	(4 21 99 397)	(6 20 87 699)
Less: Amount transferred (to) / from General Reserve		(2 67 20 689)	(1 35 41 157)	(3 03 47 273)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME E - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	84 72 90 587	63 49 19 685	54 18 20 572
Add :Units issued during the year	16 23 17 235	24 75 35 871	12 09 25 824
Less: Units redeemed during the year	(4 51 81 112)	(3 51 64 969)	(2 78 26 711)
Outstanding at the end of the year	96 44 26 710	84 72 90 587	63 49 19 685
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	8 47 29 059	6 34 91 968	5 41 82 057
Add :Units issued during the year	1 62 31 723	2 47 53 588	1 20 92 582
Less: Units redeemed during the year	(45 18 111)	(35 16 497)	(27 82 671)
Outstanding units at the end of the year	9 64 42 671	8 47 29 059	6 34 91 968

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	99 51 40 587	63 00 96 779	49 12 89 681
Add: Premium on Units issued	29 63 44 506	42 63 67 896	18 08 98 591
Less: Premium on Units redeemed	(8 38 22 568)	(6 13 24 088)	(4 20 91 493)
Add: Transfer from General Reserve	-	-	-
Closing Balance	120 76 62 525	99 51 40 587	63 00 96 779
General Reserve			
Opening Balance	8 87 45 031	7 52 03 874	4 48 56 601
Add: Transfer from Revenue Account	2 67 20 689	1 35 41 157	3 03 47 273
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	11 54 65 720	8 87 45 031	7 52 03 874
Unrealised Appreciation Reserve			
Opening Balance	32 27 47 823	28 05 48 426	21 84 60 727
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	10 85 20 359	4 21 99 397	6 20 87 699
Closing Balance	43 12 68 182	32 27 47 823	28 05 48 426
Total	175 43 96 427	140 66 33 441	98 58 49 079

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 34 737	1 25 142	1 59 475
Book Overdraft	-	-	-
Redemption Payable	17 39 265	33 22 602	15 61 141
TDS Payable	2 991	2 318	1 747
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	18 76 993	34 50 062	17 22 363

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME E - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	268 60 91 005	216 63 78 012	160 65 71 658
Preference Shares	4 48 072	4 30 755	4 43 743
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	3 31 73 261	9 01 42 248	1 47 44 721
Total	271 97 12 338	225 69 51 015	162 17 60 122
Schedule 5			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-
Schedule 6			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1	2 55 029	1 482
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	-	-	-
Dividend Receivable	9 87 791	1 68 046	7 29 523
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	9 87 792	4 23 075	7 31 005

NATIONAL PENSION SYSTEM TRUST

NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme E – Tier I

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipts of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 21st May, 2009.
3. **Investment pattern to be followed as per the PFRDA Regulations:**
 - (a) Shares of body corporates listed on Bombay Stock Exchange (BSE) or National Stock Exchange (NSE), which have:
 - (i) Market Capitalisation of not less than Rs. 5000 crore as on the date of investment;
 - (ii) And derivatives with the shares as underlying traded in the either of the two stock exchange.
 - (b) Units of Mutual funds regulated by the Securities and Exchange Board of India, which have minimum 65% of their investment in shares of body corporates listed on BSE or NSE.
 - (c) Exchange Traded Funds (ETFs) / Index Funds regulated by the Securities and Exchange Board of India that replicate the portfolio of either BSE Index or NSE Nifty 50 Index.
 - (d) ETFs issued by SEBI regulated Mutual Funds constructed specifically for disinvestment of shareholding of the Government of India in body corporates.

- (e) Exchange traded derivatives regulated by Securities and Exchange Board of India having the underlying of any permissible listed stock or any of the permissible indices, with the sole purpose of hedging.

Provided that the portfolio invested in derivatives in terms of contract value shall not be in excess of 5% of the total portfolio invested in sub - categories (a) to (d) above.

- 4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

- 1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
- 2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post

demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.

- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. Central and State Government Securities: Securities are valued at the average of prices provided by CRISIL and ICRA.

d. Mutual fund units: Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.

4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.

5. Income Recognition:

- a. Dividend income is accrued on the "ex-dividend" date.
- b. Interest on interest - bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
- d. Interest on Fixed Deposits is accounted on accrual basis.

6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 1,55,804	₹ 1,11,663

* excluding service tax / GST

** including service tax / GST

E. **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.

F. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 66,019	₹ 94,631

G. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
626.85	237.86	591.88	224.60	535.47	281.68	476.79	250.81

H. The aggregate value of non-traded investments (other than government securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 0.04 Crores. (Previous Period ₹ 0.04 Crores).

I. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 28.1910	₹ 28.1909	₹ 26.6015

* NAV not declared, being a non - business day

** On last business day

J. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
28.52	10.82	14.99	5.69	12.32	6.48	6.75	3.55

K. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

L. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 582.24	₹ 3.32	₹ 480.74	₹ 9.01

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

N. The Previous Period figures are regrouped / reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS. POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	500,835	153,030,134	5.63	5.70
HDFC BANK LTD.	70,987	142,403,471	5.24	5.30
KOTAK MAHINDRA BANK LTD.	80,395	91,778,932	3.38	3.42
AXIS BANK LTD.	123,443	75,701,420	2.78	2.82
STATE BANK OF INDIA	235,987	62,654,549	2.30	2.33
INDUSIND BANK LTD.	24,617	41,603,961	1.53	1.55
YES BANK	121,055	22,231,751	0.82	0.83
BANK OF BARODA	108,120	10,757,940	0.40	0.40
IDFC BANK LIMITED	64,936	2,357,177	0.09	0.09
PUNJAB NATIONAL BANK	3,627	216,532	0.01	0.01
		602,735,867	22.18	22.45
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	203,462	148,537,433	5.46	5.53
TATA CONSULTANCY SERVICES LTD.	52,072	113,709,626	4.18	4.23
TECH MAHINDRA LTD.	84,150	62,733,825	2.31	2.34
HCL TECHNOLOGIES LIMITED	5,578	6,067,748	0.22	0.23
		331,048,632	12.17	12.33
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	143,414	180,407,641	6.64	6.72
INDIAN OIL CORPORATION LTD.	219,400	33,644,990	1.24	1.25
CASTROL INDIA LTD.	79,800	11,399,430	0.42	0.42
BHARAT PETROLEUM CORPORATION LTD.	11,268	4,215,922	0.16	0.16
		229,667,983	8.46	8.55
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	511,220	152,215,755	5.60	5.67
		152,215,755	5.60	5.67
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	72,910	45,441,158	1.67	1.69
DIVIS LABORATORIES LTD.	18,826	24,679,003	0.91	0.92
CIPLA LTD.	33,494	21,906,751	0.81	0.82
CADILA HEALTHCARE LTD.	45,500	17,560,725	0.65	0.65
DR. REDDYS LABORATORIES LTD.	6,578	16,646,616	0.61	0.62
LUPIN LTD.	14,625	13,176,394	0.48	0.49
AUROBINDO PHARMA LTD.	6,900	5,136,705	0.19	0.19
		144,547,352	5.32	5.38

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME E - TIER II
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	8 18 22 059	7 10 85 534	6 18 43 229
Reserves and Surplus	2	10 63 48 531	8 22 68 613	6 54 74 680
Current Liabilities and Provisions	3	8 90 081	5 68 109	1 90 955
Total		18 90 60 671	15 39 22 256	12 75 08 864
Assets				
Investments	4	18 89 90 000	15 38 87 812	12 74 63 546
Deposits	5	-	-	-
Other Current Assets	6	70 671	34 444	45 318
Total		18 90 60 671	15 39 22 256	12 75 08 864
(a) Net assets as per Balance Sheets		18 81 70 590	15 33 54 147	12 73 17 909
(b) Number of units outstanding		81 82 206	71 08 553	61 84 323
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME E - TIER II
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		15 11 247	5 49 410	9 56 758
Interest		-	-	-
Profit on sale/redemption of investments		11 71 762	5 10 294	8 66 113
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		1 77 66 064	91 74 141	1 03 02 688
Other income				
- Miscellaneous Income		253	10	393
Total Income (A)		2 04 49 326	1 02 33 855	1 21 25 952
Expenses and Losses				
Unrealized losses in value of investments		1 00 65 399	46 37 532	57 66 060
Loss on sale/redemption of investments		4 80 433	-	97 800
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		10 585	8 573	6 659
NPS Trust fees		4 485	7 265	5 711
Custodian fees (including service Tax / GST)		3 228	1 309	1 590
Depository and settlement charges (including service Tax / GST)		483	348	314
CRA Fees		21 199	16 927	14 779
Less: Amount recoverable on sale of units on account of CRA Charges		(21 199)	(16 927)	(14 779)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		1 05 64 613	46 55 027	58 78 134
Surplus/(Deficit) for the year (A-B)		98 84 713	55 78 828	62 47 818
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(77 00 665)	(45 36 609)	(45 36 628)
Less: Amount transferred (to) / from General Reserve		(21 84 048)	(10 42 219)	(17 11 190)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME E - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	7 10 85 534	6 18 43 229	5 07 99 775
Add :Units issued during the year	2 51 12 715	2 01 33 613	1 74 04 500
Less: Units redeemed during the year	(1 43 76 190)	(1 08 91 308)	(63 61 046)
Outstanding at the end of the year	8 18 22 059	7 10 85 534	6 18 43 229
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	71 08 553	61 84 323	50 79 978
Add :Units issued during the year	25 11 272	20 13 361	17 40 450
Less: Units redeemed during the year	(14 37 619)	(10 89 131)	(6 36 105)
Outstanding units at the end of the year	81 82 206	71 08 553	61 84 323
Schedule 2			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	4 23 66 424	3 11 51 319	1 97 21 470
Add: Premium on Units issued	3 30 47 147	2 44 69 508	1 80 05 510
Less: Premium on Units redeemed	(1 88 51 942)	(1 32 54 403)	(65 75 661)
Add: Transfer from General Reserve	-	-	-
Closing Balance	5 65 61 629	4 23 66 424	3 11 51 319
General Reserve			
Opening Balance	85 48 593	75 06 374	57 95 184
Add: Transfer from Revenue Account	21 84 048	10 42 219	17 11 190
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	1 07 32 641	85 48 593	75 06 374
Unrealised Appreciation Reserve			
Opening Balance	3 13 53 596	2 68 16 987	2 22 80 359
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	77 00 665	45 36 609	45 36 628
Closing Balance	3 90 54 261	3 13 53 596	2 68 16 987
Total	10 63 48 531	8 22 68 613	6 54 74 680
Schedule 3			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	9 061	9 361	13 436
Book Overdraft	-	-	-
Redemption Payable	8 80 815	5 58 581	1 77 383
TDS Payable	205	167	136
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	8 90 081	5 68 109	1 90 955

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME E - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	18 46 72 045	15 08 48 621	12 43 68 197
Preference Shares	49 142	47 243	48 667
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	42 68 813	29 91 948	30 46 682
Total	18 89 90 000	15 38 87 812	12 74 63 546

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1	19 647	91
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	-	-	-
Dividend Receivable	70 670	14 797	45 227
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	70 671	34 444	45 318

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Scheme E - Tier II

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides /receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 14th December, 2009.
3. **Investment pattern to be followed as per PFRDA Regulations:**
 - (a) Shares of body corporates listed on Bombay Stock Exchange (BSE) or National Stock Exchange (NSE), which have:
 - (i) Market Capitalisation of not less than Rs. 5000 crores as on the date of investment;
 - (ii) And derivatives with the shares as underlying traded in the either of the two stock exchange.
 - (b) Units of Mutual funds regulated by the Securities and Exchange Board of India, which have minimum 65% of their investment in shares of body corporates listed on BSE or NSE.
 - (c) Exchange Traded Funds (ETFs) / Index Funds regulated by the Securities and Exchange Board of India that replicate the portfolio of either BSE Index or NSE Nifty 50 Index.
 - (d) ETFs issued by SEBI regulated Mutual Funds constructed specifically for disinvestment of shareholding of the Government of India in body corporates.

- (e) Exchange traded derivatives regulated by Securities and Exchange Board of India having the underlying of any permissible listed stock or any of the permissible indices, with the sole purpose of hedging.

Provided that the portfolio invested in derivatives in terms of contract value shall not be in excess of 5% of the total portfolio invested in sub - categories (a) to (d) above.

- 4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

- 1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
- 2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post

demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.

- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
 - viii. Partly paid bonds are valued at cost till it is fully paid.
 - ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
- c. Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
- d. Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/ depreciation is recognised in Revenue Account.
5. Income Recognition:
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.

6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 10,585	₹ 8,573

* excluding service tax / GST

** including service tax / GST

E. **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.

F. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 4,485	₹ 7,265

G. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
44.96	251.10	42.29	236.19	41.44	284.24	39.31	269.57

H. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 49,142. (Previous Period ₹ 47,243).

I. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 22.9975	₹ 22.9972	₹ 21.5731

* NAV not declared, being a non - business day

** On last business day

J. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
2.04	11.42	1.06	5.90	1.02	7.02	0.47	3.19

K. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

L. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 41.98	₹ 0.43	₹ 39.14	₹ 0.30

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category \geq 5% as on 30th September, 2018 is given in Annexure A.

N. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS. POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	31,192	9,530,716	5.06	5.16
HDFC BANK LTD.	4,610	9,247,891	4.91	5.01
KOTAK MAHINDRA BANK LTD.	5,550	6,335,880	3.37	3.43
AXIS BANK LTD.	7,828	4,800,521	2.55	2.60
STATE BANK OF INDIA	15,894	4,219,857	2.24	2.28
INDUSIND BANK LTD.	2,236	3,778,952	2.01	2.05
YES BANK	8,450	1,551,843	0.82	0.84
BANK OF BARODA	11,270	1,121,365	0.60	0.61
IDFC BANK LIMITED	5,000	181,500	0.10	0.10
		40,768,525	21.66	22.08
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	14,866	10,852,923	5.77	5.88
TATA CONSULTANCY SERVICES LTD.	4,514	9,857,222	5.24	5.34
TECH MAHINDRA LTD.	4,288	3,196,704	1.70	1.73
HCL TECHNOLOGIES LIMITED	1,156	1,257,497	0.67	0.68
		25,164,346	13.38	13.63
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	9,924	12,483,896	6.63	6.76
INDIAN OIL CORPORATION LTD.	7,240	1,110,254	0.59	0.60
BHARAT PETROLEUM CORPORATION LTD.	1,158	433,266	0.23	0.23
CASTROL INDIA LTD.	2,060	294,271	0.16	0.16
		14,321,687	7.61	7.75
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	5,689	3,545,669	1.88	1.92
DR. REDDYS LABORATORIES LTD.	717	1,814,476	0.96	0.98
CADILA HEALTHCARE LTD.	4,650	1,794,668	0.95	0.97
DIVIS LABORATORIES LTD.	1,270	1,664,843	0.88	0.90
CIPLA LTD.	2,526	1,652,130	0.88	0.89
LUPIN LTD.	1,782	1,605,493	0.85	0.87
		12,077,279	6.40	6.53
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	38,877	11,575,627	6.15	6.27
		11,575,627	6.15	6.27
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	4,671	8,195,270	4.36	4.44
LIC HOUSING FINANCE LTD.	3,560	1,485,944	0.79	0.80
		9,681,214	5.15	5.24

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME C - TIER I
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	71 98 30 146	62 44 42 481	45 74 62 746
Reserves and Surplus	2	88 46 93 084	77 35 61 688	55 47 66 606
Current Liabilities and Provisions	3	14 54 403	17 99 957	11 05 297
Total		160 59 77 633	139 98 04 126	101 33 34 649
Assets				
Investments	4	154 37 50 057	135 34 69 839	97 55 93 236
Deposits	5	-	-	-
Other Current Assets	6	6 22 27 576	4 63 34 287	3 77 41 413
Total		160 59 77 633	139 98 04 126	101 33 34 649
(a) Net assets as per Balance Sheets		160 45 23 230	139 80 04 169	101 22 29 352
(b) Number of units outstanding		7 19 83 014	6 24 44 248	4 57 46 275
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME C - TIER I
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		5 98 22 559	4 26 76 645	3 54 45 135
Profit on sale/redemption of investments		9 50 695	8 32 806	5 36 156
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		12 762	13 83 387	77 06 740
Other income				
- Miscellaneous Income		401	6	1
Total Income (A)		6 07 86 417	4 48 92 844	4 36 88 032
Expenses and Losses				
Unrealized losses in value of investments		6 66 58 278	2 83 62 681	9 03 419
Loss on sale/redemption of investments		-	-	11 218
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		89 965	66 122	54 474
NPS Trust fees		38 121	56 034	46 726
Custodian fees (including service Tax / GST)		27 946	19 721	15 932
Depository and settlement charges (including service Tax / GST)		5 232	4 301	3 328
CRA Fees		6 95 816	7 73 094	5 32 552
Less: Amount recoverable on sale of units on account of CRA Charges		(6 95 816)	(7 73 094)	(5 32 552)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		6 68 19 542	2 85 08 859	10 35 097
Surplus/(Deficit) for the year (A-B)		(60 33 125)	1 63 83 985	4 26 52 935
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		61 63 615	2 69 79 294	(68 03 321)
Less: Amount transferred (to) / from General Reserve		(1 30 490)	(4 33 63 279)	(3 58 49 614)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME C - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	62 44 42 481	45 74 62 746	38 77 37 272
Add :Units issued during the year	12 10 64 377	18 53 42 706	8 70 34 607
Less: Units redeemed during the year	(2 56 76 712)	(1 83 62 971)	(1 73 09 133)
Outstanding at the end of the year	71 98 30 146	62 44 42 481	45 74 62 746
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	6 24 44 248	4 57 46 275	3 87 73 727
Add :Units issued during the year	1 21 06 437	1 85 34 270	87 03 461
Less: Units redeemed during the year	(25 67 671)	(18 36 297)	(17 30 913)
Outstanding units at the end of the year	7 19 83 014	6 24 44 248	4 57 46 275

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	58 44 75 656	38 20 64 559	30 15 96 422
Add: Premium on Units issued	14 87 11 689	22 46 57 127	10 06 74 807
Less: Premium on Units redeemed	(3 15 47 168)	(2 22 46 030)	(2 02 06 670)
Add: Transfer from General Reserve	-	-	-
Closing Balance	70 16 40 177	58 44 75 656	38 20 64 559
General Reserve			
Opening Balance	18 29 22 417	13 95 59 138	10 37 09 524
Add: Transfer from Revenue Account	1 30 490	4 33 63 279	3 58 49 614
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	18 30 52 907	18 29 22 417	13 95 59 138
Unrealised Appreciation Reserve			
Opening Balance	61 63 615	3 31 42 909	2 63 39 588
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(61 63 615)	(2 69 79 294)	68 03 321
Closing Balance	-	61 63 615	3 31 42 909
Total	88 46 93 084	77 35 61 688	55 47 66 606

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	80 117	76 941	93 495
Book Overdraft	-	-	-
Redemption Payable	13 72 493	17 21 525	10 10 683
TDS Payable	1 793	1 491	1 119
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	14 54 403	17 99 957	11 05 297

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME C - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	150 36 77 048	130 91 40 437	96 11 26 970
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	4 00 73 009	4 43 29 402	1 44 66 266
Total	154 37 50 057	135 34 69 839	97 55 93 236

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	4 12 500	36 24 084	1
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	6 18 15 076	4 27 10 203	3 77 41 412
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	6 22 27 576	4 63 34 287	3 77 41 413

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Pension Fund Scheme C - Tier I

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units Axis Bank Ltd., being the Trustee Bank, provides/receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 21st May, 2009.
3. **Investment pattern to be followed as per the PFRDA Regulations:**
 - (a) Listed (or proposed to be listed in case of fresh issue) debt securities issued by bodies corporate, including banks and public financial institutions (Public Financial Institutions as defined under Section 2 of the Companies Act, 2013), which have a minimum residual maturity period of three years from the date of investment.
 - (b) Basel III Tier - 1 Bonds issued by scheduled commercial banks under RBI Guidelines:
 - (c) Rupee Bonds having an outstanding maturity of at least 3 years issued by institutions of the International Bank for Reconstruction and Development, International Finance Corporation and the Asian Development Bank.
 - (d) Term deposit Receipts of not less than one year duration issued by scheduled commercial banks, which satisfy the following conditions on the basis of published annual report(s) for the most recent years, as required to have been published by them under law:
 - (i) Having declared profit in the immediately preceding three financial years;

- (ii) maintaining a minimum Capital to Risk Weighted Assets Ratio of 9%, or mandated by prevailing RBI norms, whichever is higher;
- (iii) having net non-performing assets of not more than 4% of the net advances;
- (iv) having a minimum net worth of not less than Rs. 200 crores.
- (e) Units of Debt Mutual Funds as regulated by Securities and Exchange Board of India;
- (f) The following infrastructure related debt instruments:
 - (i) Listed (or proposed to be listed in case of fresh issue) debt securities issued by body corporates engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of low cost housing.
 - (ii) Infrastructure and affordable housing Bonds issued by any scheduled commercial bank, which meets the conditions specified in (ii) (d) above.
 - (iii) Listed (or proposed to be listed in case of fresh issue) securities issued by Infrastructure debt funds operating as a Non - Banking Financial Company and regulated by Reserve Bank of India.
 - (iv) Listed (or proposed to be listed in case of fresh issue) units issued by Infrastructure Debt Funds operating as a Mutual Fund and regulated by Securities and Exchange Board of India.

It is further clarified that, barring exceptions mentioned above, for the purpose of this sub - category (f), a sector shall be treated as part of infrastructure as per Government of India's harmonized master list of infrastructure sub - sectors.

- (g) Listed and proposed to be listed Credit Rated Municipal Bonds

Provided that the investment under sub - categories (a), (b), (f) (i) to (iv) and (g) of this category no. (ii) shall be made only in such securities which have minimum AA rating or equivalent in the applicable rating scale from at least two credit rating agencies registered with the Securities and Exchange Board of India under Securities and Exchange Board of India (Credit Rating Agency) Regulation, 1999.

Provided further that in case of the sub - category (f) (iii) the rating shall relate to the Non - Banking Financial Company and for the sub - category (f) (iv) the ratings shall relate to the investment in eligible securities rated above investment grade of the scheme of the fund.

Provided further that if the securities / entities have been rated by more than two rating agencies, the two lowest of all the ratings shall be considered.

Provided further that investments under this category requiring a minimum AA rating, as specified above, shall be permissible in securities having investment grade rating below AA in case the risk of default for such securities is fully covered with Credit Default Swaps (CDSs) issued under Guidelines of the Reserve Bank of India and purchased alongwith the underlying securities. Purchase amount of such Swaps shall be considered to be investment made under this category.

For sub - category (c), a single rating of AA or above by a domestic or international rating agency will be acceptable.

It is clarified that debt securities covered under category (i) (b) above are excluded from this category.

Miscellaneous Investments (upto 5%)

- (a) Commercial mortgage based Securities or Residential mortgage 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.

Provided that investment under this category shall only be in listed infrastructure or fresh issues that are proposed to be listed.

Provided further that investment under this category shall be made only in such securities which have minimum AA or equivalent rating in the applicable rating scale from at least two credit rating agencies registered under Securities and Exchange Board of India (Credit Rating Agency) Regulations, 1999.

Provided further that in case of the sub - category (a) and (d) the rating shall relate to the rating of the sponsor entity floating the trust. Provided further that if the securities / entities have been rated by more than two rating agencies, the two lowest of the ratings shall be considered.

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.

- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
 - viii. Partly paid bonds are valued at cost till it is fully paid.
 - ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
 - c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
 - d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
 - a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
<p>1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.</p>	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	Impact was not ascertainable.

- E. **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.

- F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 89,965	₹ 66,122

* excluding service tax / GST

** including service tax / GST

- G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 38,121	₹ 56,034

H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
317.74	208.79	291.75	191.71	343.33	304.97	301.75	268.03

I. The aggregate value of non-traded investments (other than government securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 47.86 Crores. (Previous Period ₹ 49.09 Crores).

J. **Net Asset Value:**

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 22.2903	₹ 22.2803	₹ 22.3880

* NAV not declared, being a non - business day

** On last business day

K. **Income and Expenditure:** The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
6.08	3.99	6.68	4.39	4.49	3.99	2.85	2.53

L. **Other disclosures:**

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 291.23	₹ 4.01	₹ 304.65	₹ 4.43

N. Details of Net Unrealized Gains / (Losses) for the period are given below:

Particular	₹ in Crores	
	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ (6.66)	₹ (2.70)

O. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

P. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to Investment category
DEBENTURES & BONDS				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	1,360,000	129,249,624	8.06	8.60
AXIS BANK LTD.	1,250,000	120,111,218	7.49	7.99
HDFC BANK LTD.	690,000	65,415,795	4.08	4.35
IDFC BANK LIMITED	140,000	13,806,700	0.86	0.92
YES BANK	100,000	9,345,700	0.58	0.62
KOTAK MAHINDRA BANK LTD.	80,000	7,966,352	0.50	0.53
PUNJAB NATIONAL BANK	20,000	1,877,894	0.12	0.12
		347,773,283	21.69	23.13
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	1,340,000	129,524,794	8.07	8.61
POWER FINANCE CORPORATION LTD.	1,130,000	108,406,861	6.76	7.21
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	50,000	4,569,245	0.28	0.30
CAN FIN HOMES LTD.	30,000	3,002,778	0.19	0.20
		245,503,678	15.30	16.32
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	1,140,000	109,242,574	6.81	7.27
EXPORT IMPORT BANK OF INDIA	810,000	78,166,125	4.87	5.20
		187,408,699	11.68	12.47
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	1,260,000	123,204,893	7.68	8.19
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	210,000	20,466,764	1.28	1.36
PNB HOUSING FINANCE LIMITED	80,000	7,990,076	0.50	0.53
		151,661,733	9.46	10.08
CONSTRUCTION AND MAINTENANCE OF MOTORWAYS, STREETS, ROADS, OTHER VEHICULAR AND PEDESTRIAN WAYS, HIGHWAYS, BRIDGES, TUNNELS AND SUBWAYS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	1,320,000	126,164,195	7.86	8.39
		126,164,195	7.86	8.39

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME C - TIER II
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	5 22 28 953	4 61 17 250	3 92 62 081
Reserves and Surplus	2	5 93 97 397	5 26 08 924	4 36 59 774
Current Liabilities and Provisions	3	1 08 343	2 53 042	82 380
Total		11 17 34 693	9 89 79 216	8 30 04 235
Assets				
Investments	4	10 79 90 001	9 52 28 552	8 03 66 618
Deposits	5	-	-	-
Other Current Assets	6	37 44 692	37 50 664	26 37 617
Total		11 17 34 693	9 89 79 216	8 30 04 235
(a) Net assets as per Balance Sheets		11 16 26 350	9 87 26 174	8 29 21 855
(b) Number of units outstanding		52 22 895	46 11 725	39 26 208
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME C - TIER II
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		41 13 461	34 47 424	28 25 872
Profit on sale/redemption of investments		86 583	64 449	50 339
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		5 998	92 694	5 69 716
Other income		-	-	-
- Miscellaneous Income		22	7	-
Total Income (A)		42 06 064	36 04 574	34 45 927
Expenses and Losses				
Unrealized losses in value of investments		43 42 745	22 87 063	1 03 173
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		6 201	5 281	4 319
NPS Trust fees		2 628	4 475	3 705
Custodian fees (including service Tax / GST)		1 929	1 593	1 271
Depository and settlement charges (including service Tax / GST)		742	692	608
CRA Fees		10 430	8 743	7 955
Less: Amount recoverable on sale of units on account of CRA Charges		(10 430)	(8 743)	(7 955)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		43 54 245	22 99 104	1 13 076
Surplus/(Deficit) for the year (A-B)		(1 48 181)	13 05 470	33 32 851
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		9 40 538	21 94 369	(4 66 543)
Less: Amount transferred (to) / from General Reserve		(7 92 357)	(34 99 839)	(28 66 308)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

7

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME C - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	4 61 17 250	3 92 62 081	3 31 34 013
Add :Units issued during the year	1 27 51 732	1 15 58 491	94 35 974
Less: Units redeemed during the year	(66 40 029)	(47 03 322)	(33 07 906)
Outstanding at the end of the year	5 22 28 953	4 61 17 250	3 92 62 081
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	46 11 725	39 26 208	33 13 401
Add :Units issued during the year	12 75 173	11 55 849	9 43 598
Less: Units redeemed during the year	(6 64 003)	(4 70 332)	(3 30 791)
Outstanding units at the end of the year	52 22 895	46 11 725	39 26 208

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	3 18 88 778	2 42 45 098	1 76 28 870
Add: Premium on Units issued	1 44 38 569	1 28 85 264	1 01 13 313
Less: Premium on Units redeemed	(75 01 915)	(52 41 584)	(34 97 085)
Add: Transfer from General Reserve	-	-	-
Closing Balance	3 88 25 432	3 18 88 778	2 42 45 098
General Reserve			
Opening Balance	1 97 79 608	1 62 79 769	1 34 13 461
Add: Transfer from Revenue Account	7 92 357	34 99 839	28 66 308
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	2 05 71 965	1 97 79 608	1 62 79 769
Unrealised Appreciation Reserve			
Opening Balance	9 40 538	31 34 907	26 68 364
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(9 40 538)	(21 94 369)	4 66 543
Closing Balance	-	9 40 538	31 34 907
Total	5 93 97 397	5 26 08 924	4 36 59 774

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	5 670	6 227	8 476
Book Overdraft	-	-	-
Redemption Payable	1 02 538	2 46 698	73 804
TDS Payable	135	117	100
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	1 08 343	2 53 042	82 380

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME C - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	10 55 60 542	9 33 46 090	7 86 91 807
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securitie.	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	24 29 459	18 82 462	16 74 811
Total	10 79 90 001	9 52 28 552	8 03 66 618

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1	3 79 070	-
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	37 44 691	33 71 594	26 37 617
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	37 44 692	37 50 664	26 37 617

NATIONAL PENSION SYSTEM TRUST

NPS Trust – A/C UTI Retirement Solutions Scheme C – Tier II

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
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 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instruct Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 14th December, 2009.
3. **Investment pattern to be followed as per the PFRDA Regulations:**
 - (a) Listed (or proposed to be listed in case of fresh issue) debt securities issued by bodies corporate, including banks and public financial institutions (Public Financial Institutions as defined under Section 2 of the Companies Act, 2013), which have a minimum residual maturity period of three years from the date of investment.
 - (b) Basel III Tier - 1 Bonds issued by scheduled commercial banks under RBI Guidelines:
 - (c) Rupee Bonds having an outstanding maturity of at least 3 years issued by institutions of the International Bank for Reconstruction and Development, International Finance Corporation and the Asian Development Bank.
 - (d) Term deposit Receipts of not less than one year duration issued by scheduled commercial banks, which satisfy the following conditions on the basis of published annual report(s) for the most recent years, as required to have been published by them under law:

- (i) Having declared profit in the immediately preceding three financial years;
 - (ii) maintaining a minimum Capital to Risk Weighted Assets Ratio of 9%, or mandated by prevailing RBI norms, whichever is higher;
 - (iii) having net non-performing assets of not more than 4% of the net advances;
 - (iv) having a minimum net worth of not less than Rs. 200 crores.
- (e) Units of Debt Mutual Funds as regulated by Securities and Exchange Board of India;
- (f) The following infrastructure related debt instruments:
- (i) Listed (or proposed to be listed in case of fresh issue) debt securities issued by body corporates engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of low cost housing.
 - (ii) Infrastructure and affordable housing Bonds issued by any scheduled commercial bank, which meets the conditions specified in (ii) (d) above.
 - (iii) Listed (or proposed to be listed in case of fresh issue) securities issued by Infrastructure debt funds operating as a Non - Banking Financial Company and regulated by Reserve Bank of India.
 - (iv) Listed (or proposed to be listed in case of fresh issue) units issued by Infrastructure Debt Funds operating as a Mutual Fund and regulated by Securities and Exchange Board of India.

It is further clarified that, barring exceptions mentioned above, for the purpose of this sub - category (f), a sector shall be treated as part of infrastructure as per Government of India's harmonized master list of infrastructure sub - sectors.

- (g) Listed and proposed to be listed Credit Rated Municipal Bonds

Provided that the investment under sub - categories (a), (b), (f) (i) to (iv) and (g) of this category no. (ii) shall be made only in such securities which have minimum AA rating or equivalent in the applicable rating scale from at least two credit rating agencies registered with the Securities and Exchange Board of India under Securities and Exchange Board of India (Credit Rating Agency) Regulation, 1999.

Provided further that in case of the sub - category (f) (iii) the rating shall relate to the Non - Banking Financial Company and for the sub - category (f) (iv) the ratings shall relate to the investment in eligible securities rated above investment grade of the scheme of the fund.

Provided further that if the securities / entities have been rated by more than two rating agencies, the two lowest of all the ratings shall be considered.

Provided further that investments under this category requiring a minimum AA rating, as specified above, shall be permissible in securities having investment grade rating below AA in case the risk of default for such securities is fully covered with Credit Default Swaps (CDSs) issued under Guidelines of the Reserve Bank of India and purchased alongwith the underlying securities. Purchase amount of such Swaps shall be considered to be investment made under this category.

For sub - category (c), a single rating of AA or above by a domestic or international rating agency will be acceptable.

It is clarified that debt securities covered under category (i) (b) above are excluded from this category.

Miscellaneous Investments (upto 5%)

- (a) Commercial mortgage based Securities or Residential mortgage 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.

Provided that investment under this category shall only be in listed infrastructure or fresh issues that are proposed to be listed.

Provided further that investment under this category shall be made only in such securities which have minimum AA or equivalent rating in the applicable rating scale from at least two credit rating agencies registered under Securities and Exchange Board of India (Credit Rating Agency) Regulations, 1999.

Provided further that in case of the sub - category (a) and (d) the rating shall relate to the rating of the sponsor entity floating the trust. Provided further that if the securities / entities have been rated by more than two rating agencies, the two lowest of the ratings shall be considered.

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. **Valuation of investments:** Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
- iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.

- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.

d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.

4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.

5. **Income Recognition:**

- a. Dividend income is accrued on the "ex-dividend" date.
- b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
- d. Interest on Fixed Deposits is accounted on accrual basis.

6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	Impact was not ascertainable.

E. **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.

F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 6,201	₹ 5,281

* excluding service tax / GST

** including service tax / GST

- G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 2,628	₹ 4,475

- H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
28.90	275.57	27.10	258.39	23.23	258.53	21.47	238.98

- I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 3.46 Crores. (Previous Period ₹ 3.99 Crore).

- J. **Net Asset Value:**

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 21.3725	₹ 21.3629	₹ 21.4076

* NAV not declared, being a non - business day

** On last business day

- K. **Income and Expenditure:** The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
0.42	4.01	0.44	4.15	0.36	4.01	0.23	2.56

- L. **Other disclosures:**

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 27.15	₹ 0.24	₹ 21.48	₹ 0.19

N. Details of Net Unrealized Gains / (Losses) for the period are given below:

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains / (Losses)	₹ (0.43)	₹ (0.22)

O. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

P. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	80,000	7,711,284	6.91	7.31
AXIS BANK LTD.	70,000	6,947,362	6.22	6.58
HDFC BANK LTD.	70,000	6,636,385	5.95	6.29
KOTAK MAHINDRA BANK LTD.	10,000	995,794	0.89	0.94
IDFC BANK LIMITED	10,000	984,762	0.88	0.93
		23,275,587	20.85	22.05
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	90,000	8,750,103	7.84	8.29
POWER FINANCE CORPORATION LTD.	90,000	8,641,172	7.74	8.19
		17,391,275	15.58	16.48
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	90,000	8,804,223	7.89	8.34
PNB HOUSING FINANCE LIMITED	30,000	2,996,495	2.68	2.84
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	10,000	998,766	0.89	0.95
		12,799,484	11.46	12.13
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	70,000	6,785,945	6.08	6.43
EXPORT IMPORT BANK OF INDIA	30,000	2,855,944	2.56	2.71
		9,641,889	8.64	9.14
CONSTRUCTION AND MAINTENANCE OF MOTORWAYS, STREETS, ROADS, OTHER VEHICULAR AND PEDESTRIAN WAYS, HIGHWAYS, BRIDGES, TUNNELS AND SUBWAYS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	90,000	8,628,317	7.73	8.17
		8,628,317	7.73	8.17
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	70,000	6,700,480	6.00	6.35
		6,700,480	6.00	6.35

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME G - TIER I
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	117 87 82 553	102 40 43 986	75 41 49 367
Reserves and Surplus	2	121 79 03 005	106 65 27 809	79 41 31 418
Current Liabilities and Provisions	3	15 67 923	23 04 910	12 24 656
Total		239 82 53 481	209 28 76 705	154 95 05 441
Assets				
Investments	4	235 96 66 709	205 82 84 518	152 06 82 227
Deposits	5	-	-	-
Other Current Assets	6	3 85 86 772	3 45 92 187	2 88 23 214
Total		239 82 53 481	209 28 76 705	154 95 05 441
(a) Net assets as per Balance Sheets		239 66 85 558	209 05 71 795	154 82 80 785
(b) Number of units outstanding		11 78 78 255	10 24 04 399	7 54 14 937
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME G - TIER I
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		8 56 75 268	6 24 90 331	5 10 70 746
Profit on sale/redemption of investments		12 60 535	28 73 536	23 94 323
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		1 07 960	34 00 526	1 31 98 160
Other income				
- Miscellaneous Income		720	156	-
Total Income (A)		8 70 44 483	6 87 64 549	6 66 63 229
Expenses and Losses				
Unrealized losses in value of investments		9 44 60 937	6 90 48 575	15 85 248
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 33 264	1 00 224	83 045
NPS Trust fees		56 468	84 935	71 226
Custodian fees (including service Tax / GST)		42 709	30 534	24 198
Depository and settlement charges (including service Tax / GST)		11 316	12 892	9 039
CRA Fees		10 35 946	11 78 441	8 14 135
Less: Amount recoverable on sale of units on account of CRA Charges		(10 35 946)	(11 78 441)	(8 14 135)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		9 47 04 694	6 92 77 160	17 72 756
Surplus/(Deficit) for the year (A-B)		(76 60 211)	(5 12 611)	6 48 90 473
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	4 18 84 527	(1 16 12 912)
Less: Amount transferred (to) / from General Reserve		76 60 211	(4 13 71 916)	(5 32 77 561)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME G - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	102 40 43 986	75 41 49 367	62 73 83 134
Add :Units issued during the year	19 27 22 825	29 76 19 758	14 63 50 481
Less: Units redeemed during the year	(3 79 84 258)	(2 77 25 139)	(1 95 84 248)
Outstanding at the end of the year	117 87 82 553	102 40 43 986	75 41 49 367
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	10 24 04 399	7 54 14 937	6 27 38 314
Add :Units issued during the year	1 92 72 282	2 97 61 976	1 46 35 048
Less: Units redeemed during the year	(37 98 426)	(27 72 514)	(19 58 425)
Outstanding units at the end of the year	11 78 78 255	10 24 04 399	7 54 14 937
Schedule 2			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	81 91 27 210	54 62 18 208	41 85 92 061
Add: Premium on Units issued	19 78 98 941	30 10 71 380	14 75 48 916
Less: Premium on Units redeemed	(3 88 63 534)	(2 81 62 378)	(1 99 22 769)
Add: Transfer from General Reserve	-	-	-
Closing Balance	97 81 62 617	81 91 27 210	54 62 18 208
General Reserve			
Opening Balance	24 74 00 599	20 60 28 683	15 27 51 122
Add: Transfer from Revenue Account	(76 60 211)	4 13 71 916	5 32 77 561
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	23 97 40 388	24 74 00 599	20 60 28 683
Unrealised Appreciation Reserve			
Opening Balance	-	4 18 84 527	3 02 71 615
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	-	(4 18 84 527)	1 16 12 912
Closing Balance	-	-	4 18 84 527
Total	121 79 03 005	106 65 27 809	79 41 31 418
Schedule 3			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 20 360	1 20 766	1 51 174
Book Overdraft	-	-	-
Redemption Payable	14 44 872	21 81 684	10 71 705
TDS Payable	2 691	2 460	1 777
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	15 67 923	23 04 910	12 24 656

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME G - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	228 65 20 176	201 40 32 360	150 63 94 310
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	7 31 46 533	4 42 52 158	1 42 87 917
Total	235 96 66 709	205 82 84 518	152 06 82 227

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1	21 88 786	-
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	3 85 86 771	3 24 03 401	2 88 23 214
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	3 85 86 772	3 45 92 187	2 88 23 214

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Pension Fund Scheme G - Tier I

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides /receives funds on consolidated basis in respect of such allotment /redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 21st May, 2009.
3. **Investment pattern to be followed as per PFRDA Regulations:**
Investments will be in -
 - (a) Government of India Bonds
 - (b) State Government Bonds
4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards

specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.

2. Investments:

- a. Investments are accounted on trade date.
- b. Cost is determined on the basis of weighted average cost.
- c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
- iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.

- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

- c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
 - d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Assets is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited /debited to Unit Premium Reserve after each subscription /redemption.

- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Valuation of G-sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 0.97 Crores.

- E. **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.

- F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 1,33,264	₹ 1,00,224

* excluding service tax / GST

** including service tax / GST

- G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 56,468	₹ 84,935

- H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
429.70	190.62	390.26	173.12	471.28	276.19	410.62	240.65

- I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ NIL. (Previous Period ₹ NIL)

J. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 20.3318	₹ 20.3229	₹ 20.4148

* NAV not declared, being a non - business day

** On last business day

- K. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
8.70	3.86	9.47	4.20	6.88	4.03	6.93	4.06

L. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

- M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 393.02	₹ 7.31	₹ 409.14	₹ 4.43

N. Details of Net Unrealized Gains / (Losses) for the period are given below:

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains / (Losses)	₹ (9.44)	₹ (6.56)

O. The Previous Period figures are regrouped/ reclassified, wherever necessary.

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME G - TIER II
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	6 59 17 300	5 63 86 666	4 85 04 166
Reserves and Surplus	2	7 14 98 110	6 17 20 193	5 37 08 247
Current Liabilities and Provisions	3	1 16 751	4 16 375	1 00 376
Total		13 75 32 161	11 85 23 234	10 23 12 789
Assets				
Investments	4	13 50 60 599	11 63 56 969	10 04 25 864
Deposits	5	-	-	-
Other Current Assets	6	24 71 562	21 66 265	18 86 925
Total		13 75 32 161	11 85 23 234	10 23 12 789
(a) Net assets as per Balance Sheets		13 74 15 410	11 81 06 859	10 22 12 413
(b) Number of units outstanding		65 91 730	56 38 667	48 50 416
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME G - TIER II
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		48 57 766	39 99 291	33 02 516
Profit on sale/redemption of investments		1 01 298	1 44 920	1 19 798
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		17 210	61 846	10 28 656
Other income				
- Miscellaneous Income		21	10	1
Total Income (A)		49 76 295	42 06 067	44 50 971
Expenses and Losses				
Unrealized losses in value of investments		55 35 347	45 99 868	1 21 004
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		7 539	6 365	5 347
NPS Trust fees		3 194	5 392	4 587
Custodian fees (including service Tax / GST)		2 373	1 920	1 538
Depository and settlement charges (including service Tax / GST)		937	1 044	1 209
CRA Fees		12 901	10 348	9 400
Less: Amount recoverable on sale of units on account of CRA Charges		(12 901)	(10 348)	(9 400)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		55 49 390	46 14 589	1 33 685
Surplus/(Deficit) for the year (A-B)		(5 73 095)	(4 08 522)	43 17 286
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	34 85 228	(9 07 652)
Less: Amount transferred (to) / from General Reserve		5 73 095	(30 76 706)	(34 09 634)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME G - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	5 63 86 666	4 85 04 166	4 06 32 143
Add :Units issued during the year	1 58 19 442	1 33 77 779	1 14 23 202
Less: Units redeemed during the year	(62 88 808)	(54 95 279)	(35 51 179)
Outstanding at the end of the year	6 59 17 300	5 63 86 666	4 85 04 166

(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	56 38 667	48 50 416	40 63 214
Add :Units issued during the year	15 81 944	13 37 779	11 42 320
Less: Units redeemed during the year	(6 28 881)	(5 49 528)	(3 55 118)
Outstanding units at the end of the year	65 91 730	56 38 667	48 50 416

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	4 09 53 337	3 25 32 869	2 40 45 402
Add: Premium on Units issued	1 70 94 212	1 43 22 735	1 22 66 314
Less: Premium on Units redeemed	(67 43 200)	(59 02 267)	(37 78 847)
Add: Transfer from General Reserve	-	-	-
Closing Balance	5 13 04 349	4 09 53 337	3 25 32 869
General Reserve			
Opening Balance	2 07 66 856	1 76 90 150	1 42 80 516
Add: Transfer from Revenue Account	(5 73 095)	30 76 706	34 09 634
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	2 01 93 761	2 07 66 856	1 76 90 150
Unrealised Appreciation Reserve			
Opening Balance	-	34 85 228	25 77 576
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	-	(34 85 228)	9 07 652
Closing Balance	-	-	34 85 228
Total	7 14 98 110	6 17 20 193	5 37 08 247

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	6 893	7 452	11 367
Book Overdraft	-	-	-
Redemption Payable	1 09 700	4 08 778	88 881
TDS Payable	158	145	128
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	1 16 751	4 16 375	1 00 376

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME G - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	13 18 56 062	11 53 73 907	9 91 37 468
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	32 04 537	9 83 062	12 88 396
Total	13 50 60 599	11 63 56 969	10 04 25 864

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	1	1 21 323	-
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	24 71 561	20 44 942	18 86 925
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	24 71 562	21 66 265	18 86 925

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Scheme G - Tier II

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 14th December, 2009.
3. **Investment pattern to be followed as per PFRDA Regulations:**
Investments will be in -
 - (a) Government of India Bonds
 - (b) State Government Bonds
4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex -date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.
3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
 - a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
 - ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.

- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
 - c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
 - d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from AMFI website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of NAV:** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after.

- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 0.06 Crores.

- E. **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.

- F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 7,539	₹ 6,365

* excluding service tax / GST

** including service tax / GST

- G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 3,194	₹ 5,392

- H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
34.61	271.36	32.20	252.45	26.29	242.87	24.23	223.81

- I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ NIL. (Previous Period ₹ NIL)

J. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 20.8466	₹ 20.8374	₹ 20.9458

* NAV not declared, being a non - business day

** On last business day

K. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
0.50	3.90	0.55	4.35	0.42	3.89	0.46	4.26

L. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 32.41	₹ 0.32	₹ 24.09	₹ 0.10

N. Details of Net Unrealized Gains / (Losses) for the period are given below:

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ (0.55)	₹ (0.45)

O. The Previous Period figures are regrouped/ reclassified, wherever necessary.

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME A - TIER I
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
<u>Liabilities</u>				
Unit Capital	1	50 30 197	34 20 117	11 13 576
Reserves and Surplus	2	6 97 530	3 36 818	69 479
Current Liabilities and Provisions	3	288	481	54
Total		57 28 015	37 57 416	11 83 109
<u>Assets</u>				
Investments	4	57 28 015	37 57 415	11 83 108
Deposits	5	-	-	-
Other Current Assets	6	-	1	1
Total		57 28 015	37 57 416	11 83 109
(a) Net assets as per Balance Sheets		57 27 727	37 56 935	11 83 055
(b) Number of units outstanding		5 03 020	3 42 012	1 11 357
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME A - TIER I
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		-	-	-
Profit on sale/redemption of investments		2 05 909	47 918	17 221
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		-	18 470	12 230
Other income		-	-	-
- Miscellaneous Income		6	7	-
Total Income (A)		2 05 915	66 395	29 451
Expenses and Losses				
Unrealized losses in value of investments		27 633	-	-
Loss on sale/redemption of investments		-	-	1
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		292	113	52
NPS Trust fees		124	95	45
Custodian fees (including service Tax / GST)		-	-	-
Depository and settlement charges (including service Tax / GST)		-	-	-
CRA Fees		5 028	2 076	1 550
Less: Amount recoverable on sale of units on account of CRA Charges		(5 028)	(2 076)	(1 550)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		28 049	208	98
Surplus/(Deficit) for the year (A-B)		1 77 866	66 187	29 353
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		27 633	(18 470)	(12 230)
Less: Amount transferred (to) / from General Reserve		(2 05 499)	(47 717)	(17 123)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME A - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	34 20 117	11 13 576	5 38 720
Add :Units issued during the year	21 77 701	24 38 186	6 03 282
Less: Units redeemed during the year	(5 67 621)	(1 31 645)	(28 426)
Outstanding at the end of the year	50 30 197	34 20 117	11 13 576

(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	3 42 012	1 11 357	53 872
Add :Units issued during the year	2 17 770	2 43 819	60 328
Less: Units redeemed during the year	(56 762)	(13 164)	(2 843)
Outstanding units at the end of the year	5 03 020	3 42 012	1 11 357

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	2 36 404	35 252	10 386
Add: Premium on Units issued	2 51 193	2 12 606	26 323
Less: Premium on Units redeemed	(68 347)	(11 454)	(1 457)
Add: Transfer from General Reserve	-	-	-
Closing Balance	4 19 250	2 36 404	35 252
General Reserve			
Opening Balance	69 713	21 996	4 873
Add: Transfer from Revenue Account	2 05 499	47 717	17 123
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	2 75 212	69 713	21 996
Unrealised Appreciation Reserve			
Opening Balance	30 701	12 231	1
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(27 633)	18 470	12 230
Closing Balance	3 068	30 701	12 231
Total	6 97 530	3 36 818	69 479

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	210	127	53
Book Overdraft	-	-	-
Redemption Payable	73	351	-
TDS Payable	5	3	1
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	288	481	54

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME A - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	57 28 015	37 57 415	11 83 108
Total	57 28 015	37 57 415	11 83 108

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	-	1	1
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for Interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	-	-	-
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	-	1	1

NATIONAL PENSION SYSTEM TRUST

NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme A – Tier I

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 14th October, 2016.
3. **Investment pattern to be followed as per PFRDA Regulations:**
 - 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 (SEBI)
 - c. Asset backed securities regulated by the SEBI.
 - d. Units issued by Infrastructure Investment Trusts regulated by the SEBI.
 - e. Alternative Investment Funds (AIF Category I & II) registered with SEBI.
4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
- a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
 - ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
 - iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.
 - b. **Debentures, corporate bonds, commercial papers and certificate of deposits:**
 - i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
 - ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
 - iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
 - iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.

- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. Central and State Government Securities: Securities are valued at the average of prices provided by CRISIL and ICRA.

d. Mutual fund units: Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.

4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.

5. Income Recognition:

- a. Dividend income is accrued on the "ex-dividend" date.
- b. Interest on interest - bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
- d. Interest on Fixed Deposits is accounted on accrual basis.

6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ 292	₹ 113

* excluding service tax / GST

** including service tax / GST

E. **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.

F. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 124	₹ 95

G. **Purchase/Sale of Investments:** During the period investments were made only in Liquid Mutual Funds. The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores							
Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
1.41	285.06	1.23	248.90	1.20	622.76	0.95	492.26

H. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ NIL. (Previous Period ₹ NIL)

I. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 11.3866	₹ 11.3805	₹ 10.9848

* NAV not declared, being a non - business day

** On last business day

J. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹	%	₹	%	₹	%	₹	%
2,05,915	4.16	28,049	0.57	66,395	3.45	208	0.01

K. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

L. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 1.41	₹ 0.57	₹ 1.20	₹ 0.38

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category \geq 5% as on 30th September, 2018 is Nil.

N. The Previous Period figures are regrouped/ reclassified, wherever necessary.

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME A - TIER II
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	-	-	-
Reserves and Surplus	2	-	-	-
Current Liabilities and Provisions	3	27	27	27
Total		27	27	27
Assets				
Investments	4	-	-	-
Deposits	5	-	-	-
Other Current Assets	6	27	27	27
Total		27	27	27
(a) Net assets as per Balance Sheets		-	-	-
(b) Number of units outstanding		-	-	-
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME A - TIER II
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		-	-	-
Profit on sale/redemption of investments		-	-	794
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		-	-	-
Other income		-	-	-
- Miscellaneous Income		-	-	-
Total Income (A)		-	-	794
Expenses and Losses				
Unrealized losses in value of investments		-	-	1
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		-	-	1
NPS Trust fees		-	-	1
Custodian fees (including service Tax / GST)		-	-	-
Depository and settlement charges (including service Tax / GST)		-	-	-
CRA Fees		-	-	29
Less: Amount recoverable on sale of units on account of CRA Charges		-	-	(29)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		-	-	3
Surplus/(Deficit) for the year (A-B)		-	-	791
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	-	1
Less: Amount transferred (to) / from General Reserve		-	-	(792)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME A - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	-	-	40 236
Add :Units issued during the year	-	-	36 964
Less: Units redeemed during the year	-	-	(77 200)
Outstanding at the end of the year	-	-	-
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	-	-	4 024
Add :Units issued during the year	-	-	3 696
Less: Units redeemed during the year	-	-	(7 720)
Outstanding units at the end of the year	-	-	-

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	-	-	659
Add: Premium on Units issued	-	-	1 302
Less: Premium on Units redeemed	-	-	(3 250)
Add: Transfer from General Reserve	-	-	1 289
Closing Balance	-	-	-
General Reserve			
Opening Balance	-	-	497
Add: Transfer from Revenue Account	-	-	792
Less: Transfer to Unit Premium Reserve	-	-	(1 289)
Closing Balance	-	-	-
Unrealised Appreciation Reserve			
Opening Balance	-	-	1
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	-	-	(1)
Closing Balance	-	-	-
Total	-	-	-

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	27	27	27
Book Overdraft	-	-	-
Redemption Payable	-	-	-
TDS Payable	-	-	-
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	27	27	27

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME A - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securitie	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	-	-	-
Total	-	-	-
<hr/>			
Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-
<hr/>			
Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	27	27	27
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	-	-	-
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	27	27	27

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Scheme A - Tier II

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 20th October, 2016.
3. **Investment pattern to be followed as per PFRDA Regulations:**
 - 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 (SEBI)
 - c. Asset backed securities regulated by the SEBI.
 - d. Units issued by Infrastructure Investment Trusts regulated by the SEBI.
 - e. Alternative Investment Funds (AIF Category I & II) registered with SEBI.
4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.
3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
 - a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.

- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
- iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.

- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
 - viii. Partly paid bonds are valued at cost till it is fully paid.
 - ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
- c. Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
- d. Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest - bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. **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.

E. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees**	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ NIL	₹ NIL

* excluding service tax / GST

** including service tax / GST

F. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ NIL	₹ NIL

G. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

H. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ NIL. (Previous Period ₹ NIL)

I. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 10.0000	₹ 10.0000	₹ 10.0000

* NAV not declared, being a non - business day

** On last business day

J. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹	%	₹	%	₹	%	₹	%
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

K. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

L. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ Nil	₹ Nil	₹ Nil	₹ Nil

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is Nil.**N.** The Previous Period figures are regrouped/ reclassified, wherever necessary.

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	12220 53 60 796	11196 17 63 154	10264 31 06 907
Reserves and Surplus	2	18884 87 77 628	17156 29 38 028	15484 55 22 298
Current Liabilities and Provisions	3	3 17 10 603	4 85 11 642	3 74 71 869
Total		31108 58 49 027	28357 32 12 824	25752 61 01 075
Assets				
Investments	4	30373 84 73 208	27689 45 43 970	25163 46 03 630
Deposits	5	-	-	-
Other Current Assets	6	734 73 75 819	667 86 68 854	589 14 97 445
Total		31108 58 49 027	28357 32 12 824	25752 61 01 075
(a) Net assets as per Balance Sheets		31105 41 38 424	28352 47 01 182	25748 86 29 206
(b) Number of units outstanding		1222 05 36 080	1119 61 76 315	1026 43 10 690
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		34 89 95 609	15 97 81 182	29 46 82 423
Interest		1001 41 11 791	887 58 36 112	785 60 82 008
Profit on sale/redemption of investments		34 67 18 785	88 35 89 608	44 91 61 707
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		434 03 66 184	232 73 69 304	555 58 87 256
Other income				
- Miscellaneous Income		20 029	-	353
Total Income (A)		1505 02 12 398	1224 65 76 206	1415 58 13 747
Expenses and Losses				
Unrealized losses in value of investments		1330 39 94 372	952 92 22 684	190 22 36 066
Loss on sale/redemption of investments		22 23 33 107	8 97 04 268	3 78 15 287
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 80 12 551	1 62 55 597	1 44 23 158
NPS Trust fees		74 82 781	1 35 05 813	1 21 30 365
Custodian fees (including service Tax / GST)		54 18 021	44 47 780	39 83 244
Depository and settlement charges (including service Tax / GST)		11 00 498	9 90 837	8 23 580
CRA Fees		2 25 898	33 236	19 529
Less: Amount recoverable on sale of units on account of CRA Charges		(2 25 898)	(33 236)	(19 529)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	12	-
Total Expenditure (B)		1355 83 41 330	965 41 26 991	197 14 11 700
Surplus/(Deficit) for the year (A-B)		149 18 71 068	259 24 49 215	1218 44 02 047
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		896 36 28 188	720 18 53 380	(365 36 51 190)
Less: Amount transferred (to) / from General Reserve		(1045 54 99 256)	(979 43 02 595)	(853 07 50 857)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	11196 17 63 154	10264 31 06 907	9352 72 51 372
Add :Units issued during the year	1065 75 58 714	966 59 81 271	934 36 15 022
Less: Units redeemed during the year	(41 39 61 072)	(34 73 25 024)	(22 77 59 486)
Outstanding at the end of the year	12220 53 60 796	11196 17 63 154	10264 31 06 907
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	1119 61 76 315	1026 43 10 690	935 27 25 137
Add :Units issued during the year	106 57 55 872	96 65 98 127	93 43 61 502
Less: Units redeemed during the year	(4 13 96 107)	(3 47 32 502)	(2 27 75 949)
Outstanding units at the end of the year	1222 05 36 080	1119 61 76 315	1026 43 10 690
Schedule 2			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	9332 23 18 226	7919 73 51 711	6592 04 85 381
Add: Premium on Units issued	1643 13 16 040	1465 14 07 014	1360 99 85 050
Less: Premium on Units redeemed	(63 73 47 508)	(52 64 40 499)	(33 31 18 720)
Add: Transfer from General Reserve	-	-	-
Closing Balance	10911 62 86 758	9332 23 18 226	7919 73 51 711
General Reserve			
Opening Balance	6612 87 98 923	5633 44 96 328	4780 37 45 471
Add: Transfer from Revenue Account	1045 54 99 256	979 43 02 595	853 07 50 857
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	7658 42 98 179	6612 87 98 923	5633 44 96 328
Unrealised Appreciation Reserve			
Opening Balance	1211 18 20 879	1931 36 74 259	1566 00 23 069
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(896 36 28 188)	(720 18 53 380)	365 36 51 190
Closing Balance	314 81 92 691	1211 18 20 879	1931 36 74 259
Total	18884 87 77 628	17156 29 38 028	15484 55 22 298
Schedule 3			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 57 70 399	1 78 68 424	2 62 39 259
Book Overdraft	-	-	-
Redemption Payable	1 55 87 993	3 03 16 485	1 09 44 460
TDS Payable	3 52 211	3 26 733	2 88 150
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	3 17 10 603	4 85 11 642	3 74 71 869

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	4292 56 42 618	3845 55 92 956	3664 06 57 513
Preference Shares	1 33 30 096	1 28 14 923	1 32 01 303
Debentures and Bonds Listed/Awaiting Listing	10303 14 23 216	9837 85 74 639	9082 62 98 060
Central and State Government Securities (including treasury bills)	15241 68 36 817	13857 37 51 519	12284 81 34 189
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	535 12 40 461	147 38 09 933	130 63 12 565
Total	30373 84 73 208	27689 45 43 970	25163 46 03 630
Schedule 5			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-
Schedule 6			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	74 25 000	31 79 47 955	12 090
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	713 68 97 324	635 69 81 363	587 65 70 283
Dividend Receivable	1 30 53 495	37 39 536	1 49 15 072
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	19 00 00 000	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	734 73 75 819	667 86 68 854	589 14 97 445

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Pension Fund Scheme - Central Govt

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare the Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, who is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 1st April, 2008.
3. **Investment pattern to be followed as per PFRDA Regulations:**

Sr. No.	Investment Pattern	% of amount to be invested
(i)	Government Securities	Upto 50
(ii)	Debt Securities	Upto 45
(iii)	Money Market instruments	Upto 5
(iv)	Equity Shares	Upto 15

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of

the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.

2. Investments:

- a. Investments are accounted on trade date.
- b. Cost is determined on the basis of weighted average cost.
- c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
- iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. Central and State Government Securities: Securities are valued at the average of prices provided by CRISIL and ICRA.

d. Mutual fund units: Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.

4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
 5. **Income Recognition:**
 - a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
 6. **Computation of NAV:** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
 7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.
- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	Impact was not ascertainable.

2. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 48.88 Crores.
3. Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded, which is contrary to the stipulation in accounting policy.	Money Market instruments are valued as per debt securities. i.e. upto 60 days residual maturity - Amortisation, above 60 days - YTM basis.	Impact was not ascertainable.
4. Front-end discount should be reduced from the Cost of investments.	Front-end discount is taken to Income.	Impact was not ascertainable.

E. 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.

F. Investment Management Fees: In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.0102%	0.0102%	₹ 1,80,12,551	₹ 1,62,55,597

* excluding service tax / GST

** including service tax / GST

G. NPS Trust Charges: The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 74,82,781	₹ 1,35,05,813

H. Purchase/Sale of Investments: The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
21,622.37	72.40	17,855.62	59.79	20,215.80	74.60	16,924.85	62.46

I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 4,469.35 Crores. (Previous Period ₹ 4,641.05 Crores)

J. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 25.4533	₹ 25.4435	₹ 25.3233

* NAV not declared, being a non - business day

** On last business day

K. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
1,505.02	5.04	1,355.83	4.54	1,224.66	4.52	965.41	3.56

L. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 18,042.63	₹ 535.12	₹ 16,654.02	₹ 147.38

- N. Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.
- O.** The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	7,390,982	2,258,314,550	0.73	5.26
HDFC BANK LTD.	1,112,698	2,232,127,823	0.72	5.20
AXIS BANK LTD.	2,153,745	1,320,784,121	0.42	3.08
STATE BANK OF INDIA	4,591,413	1,219,020,152	0.39	2.84
KOTAK MAHINDRA BANK LTD.	1,058,395	1,208,263,732	0.39	2.81
INDUSIND BANK LTD.	459,005	775,741,400	0.25	1.81
BANK OF BARODA	2,893,135	287,866,933	0.09	0.67
YES BANK	1,546,225	283,964,221	0.09	0.66
FEDERAL BANK LTD.	2,278,050	161,058,135	0.05	0.38
IDFC BANK LIMITED	2,386,722	86,638,009	0.03	0.20
PUNJAB NATIONAL BANK	619,890	37,007,433	0.01	0.09
		9,870,786,509	3.17	23.00
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	3,016,156	2,201,944,688	0.71	5.13
TATA CONSULTANCY SERVICES LTD.	909,534	1,986,149,396	0.64	4.63
TECH MAHINDRA LTD.	556,300	414,721,650	0.13	0.97
HCL TECHNOLOGIES LIMITED	286,741	311,916,860	0.10	0.73
WIPRO LTD.	323,611	104,849,964	0.03	0.24
		5,019,582,558	1.61	11.70
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	2,328,739	2,929,437,225	0.94	6.82
INDIAN OIL CORPORATION LTD.	1,882,968	288,753,143	0.09	0.67
CASTROL INDIA LTD.	1,356,000	193,704,600	0.06	0.45
BHARAT PETROLEUM CORPORATION LTD.	381,327	142,673,497	0.05	0.33
		3,554,568,465	1.14	8.27
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	7,397,333	2,202,555,901	0.71	5.13
		2,202,555,901	0.71	5.13
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	1,129,073	703,694,747	0.23	1.64
LUPIN LTD.	400,735	361,042,198	0.12	0.84
DIVIS LABORATORIES LTD.	256,003	335,594,333	0.11	0.78
DR. REDDYS LABORATORIES LTD.	126,043	318,970,718	0.10	0.74
CIPLA LTD.	451,742	295,461,855	0.09	0.69
CADILA HEALTHCARE LTD.	371,317	143,309,796	0.05	0.33
		2,158,073,647	0.70	5.02

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	88,050,000	8,389,780,860	2.70	8.14
AXIS BANK LTD.	69,950,000	6,788,781,410	2.18	6.59
HDFC BANK LTD.	34,910,000	3,321,522,505	1.07	3.22
IDFC BANK LIMITED	13,770,000	1,356,377,236	0.44	1.32
IDBI BANK LTD.	6,500,000	653,435,900	0.21	0.63
YES BANK	6,500,000	630,599,700	0.20	0.61
KOTAK MAHINDRA BANK LTD.	4,490,000	447,111,506	0.14	0.43
PUNJAB NATIONAL BANK	1,000,000	93,894,700	0.03	0.09
ING VYSYA BANK LTD.	800,000	82,723,280	0.03	0.08
		21,764,227,097	7.00	21.11
OTHER CREDIT GRANTING				
POWER FINANCE CORPORATION LTD.	103,080,000	9,949,823,561	3.20	9.66
RURAL ELECTRIFICATION CORPORATION LIMITED	102,070,000	9,884,581,874	3.18	9.59
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	1,500,000	137,077,350	0.04	0.13
CAN FIN HOMES LTD.	400,000	40,037,040	0.01	0.04
		20,011,519,825	6.43	19.42
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	68,600,000	6,704,320,913	2.16	6.51
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	27,360,000	2,680,286,740	0.86	2.60
PNB HOUSING FINANCE LIMITED	10,220,000	1,007,145,466	0.32	0.98
HOUSING AND URBAN DEVELOPMENT CORPORATION	1,000,000	97,079,400	0.03	0.09
		10,488,832,519.00	3.37	10.18
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	77,530,000	7,414,628,775	2.38	7.20
		7,414,628,775	2.38	7.20
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	37,270,000	3,562,045,180	1.15	3.46
EXPORT IMPORT BANK OF INDIA	29,760,000	2,843,490,538	0.91	2.76
		6,405,535,718	2.06	6.22

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	19091 78 83 458	17032 50 05 215	14991 03 70 208
Reserves and Surplus	2	24154 06 69 356	21378 87 12 327	18519 27 06 749
Current Liabilities and Provisions	3	5 49 21 814	5 48 13 920	5 46 28 822
Total		43251 34 74 628	38416 85 31 462	33515 77 05 779
Assets				
Investments	4	42272 57 69 093	37564 92 95 599	32758 59 41 540
Deposits	5	-	-	-
Other Current Assets	6	978 77 05 535	851 92 35 863	757 17 64 239
Total		43251 34 74 628	38416 85 31 462	33515 77 05 779
(a) Net assets as per Balance Sheets		43245 85 52 814	38411 37 17 542	33510 30 76 957
(b) Number of units outstanding		1909 17 88 346	1703 25 00 521	1499 10 37 020
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		47 05 06 196	19 39 97 248	35 97 89 398
Interest		1371 06 59 637	1164 94 14 633	1004 42 42 200
Profit on sale/redemption of investments		40 75 72 710	72 04 81 462	42 17 47 852
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		567 86 76 363	311 59 65 908	688 75 14 560
Other income				
- Miscellaneous Income		51 444	-	632
Total Income (A)		2026 74 66 350	1567 98 59 251	1771 32 94 642
Expenses and Losses				
Unrealized losses in value of investments		1822 48 59 277	1233 68 67 506	243 82 56 608
Loss on sale/redemption of investments		19 36 41 614	4 31 35 256	4 97 12 968
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		2 46 63 992	2 14 64 406	1 85 03 749
NPS Trust fees		1 02 45 925	1 78 33 502	1 55 60 873
Custodian fees (including service Tax / GST)		73 88 660	60 33 225	51 60 422
Depository and settlement charges (including service Tax / GST)		16 03 680	13 74 999	11 20 364
CRA Fees		4 20 165	1 08 360	1 08 424
Less: Amount recoverable on sale of units on account of CRA Charges		(4 20 165)	(1 08 360)	(1 08 424)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	84	-
Total Expenditure (B)		1846 24 03 148	1242 67 08 978	252 83 14 984
Surplus/(Deficit) for the year (A-B)		180 50 63 202	325 31 50 273	1518 49 79 658
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		1254 61 82 914	922 09 01 598	(444 92 57 952)
Less: Amount transferred (to) / from General Reserve		(1435 12 46 116)	(1247 40 51 871)	(1073 57 21 706)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	17032 50 05 215	14991 03 70 208	13178 08 63 394
Add :Units issued during the year	2120 97 91 689	2088 67 97 912	1855 37 03 113
Less: Units redeemed during the year	(61 69 13 446)	(47 21 62 905)	(42 41 96 299)
Outstanding at the end of the year	19091 78 83 458	17032 50 05 215	14991 03 70 208
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	1703 25 00 521	1499 10 37 020	1317 80 86 339
Add :Units issued during the year	212 09 79 169	208 86 79 791	185 53 70 311
Less: Units redeemed during the year	(6 16 91 344)	(4 72 16 290)	(4 24 19 630)
Outstanding units at the end of the year	1909 17 88 346	1703 25 00 521	1499 10 37 020
Schedule 2			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	13510 91 04 033	10976 62 48 728	8822 02 38 037
Add: Premium on Units issued	2672 36 42 292	2592 79 59 378	2205 39 72 763
Less: Premium on Units redeemed	(77 67 48 465)	(58 51 04 073)	(50 79 62 072)
Add: Transfer from General Reserve	-	-	-
Closing Balance	16105 59 97 860	13510 91 04 033	10976 62 48 728
General Reserve			
Opening Balance	6589 64 52 630	5342 24 00 759	4268 66 79 053
Add: Transfer from Revenue Account	1435 12 46 116	1247 40 51 871	1073 57 21 706
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	8024 76 98 746	6589 64 52 630	5342 24 00 759
Unrealised Appreciation Reserve			
Opening Balance	1278 31 55 664	2200 40 57 262	1755 47 99 310
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(1254 61 82 914)	(922 09 01 598)	444 92 57 952
Closing Balance	23 69 72 750	1278 31 55 664	2200 40 57 262
Total	24154 06 69 356	21378 87 12 327	18519 27 06 749
Schedule 3			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	2 18 18 315	2 38 42 216	3 34 02 211
Book Overdraft	-	-	-
Redemption Payable	3 26 13 495	3 05 30 104	2 08 53 532
TDS Payable	4 90 004	4 41 600	3 73 079
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	5 49 21 814	5 48 13 920	5 46 28 822

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	5888 97 02 361	5149 52 62 721	4732 77 23 012
Preference Shares	1 20 25 955	1 15 61 183	1 19 09 762
Debentures and Bonds Listed/Awaiting Listing	14132 62 23 084	13283 86 88 273	11766 33 50 309
Central and State Government Securities (including treasury bills)	21403 31 67 016	18691 93 24 423	16075 22 69 558
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	846 46 50 677	438 44 58 999	183 06 88 899
Total	42272 57 69 093	37564 92 95 599	32758 59 41 540

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	82 50 001	39 03 22 046	42 057
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	961 08 39 376	812 38 81 675	755 24 71 680
Dividend Receivable	1 86 16 158	50 32 142	1 92 50 502
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	15 00 00 000	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	978 77 05 535	851 92 35 863	757 17 64 239

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Pension Fund Scheme - State Govt.

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA), provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation services provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 25th June, 2009.

3. Investment pattern to be followed as per the PFRDA Regulation:

Sr. No.	Investment Pattern	% of amount to be invested
(i)	Government Securities	Upto 50
(ii)	Debt Securities	Upto 45
(iii)	Money Market instruments	Upto 5
(iv)	Equity Shares	Upto 15

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of

the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.

2. Investments:

- a. Investments are accounted on trade date.
- b. Cost is determined on the basis of weighted average cost.
- c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
- d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. Valuation of investments: Investments are valued using the price determined in the following manner:

a. Equity:

- i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.
- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. Right entitlement:

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. Central and State Government Securities: Securities are valued at the average of prices provided by CRISIL and ICRA.

- d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- Dividend income is accrued on the "ex-dividend" date.
 - Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.
- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the	Impact was not ascertainable.

traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	
2. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 73.57 Crores.
3. Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded, which is contrary to the stipulation in accounting policy.	Money Market instruments are valued as per debt securities. i.e. upto 60 days residual maturity - Amortisation, above 60 days - YTM basis.	Impact was not ascertainable.
4. Front-end discount should be reduced from the Cost of investments.	Front-end discount is taken to Income.	Impact was not ascertainable.

E. 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.

F. Investment Management Fees: In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.0102%	0.0102%	₹ 2,46,63,992	₹ 2,14,64,406

* excluding service tax / GST

** including service tax / GST

G. NPS Trust Charges: The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 1,02,45,925	₹ 1,78,33,502

H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
24,545.82	60.02	18,469.70	45.16	23,150.15	64.68	17,305.34	48.35

I. The aggregate value of non-traded investments (other than government securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 5,669.63 Crores. (Previous Period ₹ 5,943.60 Crores)

J. **Net Asset Value:**

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 22.6515	₹ 22.6428	₹ 22.5518

* NAV not declared, being a non - business day

** On last business day

K. **Income and Expenditure:** The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
2,026.75	4.96	1,846.24	4.51	1,567.99	4.38	1,242.67	3.47

L. **Other disclosures:**

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 18,689.22	₹ 846.47	₹ 17,324.04	₹ 438.45

N. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

O. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	10,327,816	3,155,664,179	0.73	5.37
HDFC BANK LTD.	1,458,239	2,925,300,346	0.68	4.98
AXIS BANK LTD.	3,268,907	2,004,657,218	0.46	3.41
STATE BANK OF INDIA	6,502,564	1,726,430,742	0.40	2.94
KOTAK MAHINDRA BANK LTD.	1,477,708	1,686,951,453	0.39	2.87
INDUSIND BANK LTD.	645,633	1,091,152,052	0.25	1.86
YES BANK	2,728,125	501,020,156	0.12	0.85
BANK OF BARODA	4,241,911	422,070,145	0.10	0.72
FEDERAL BANK LTD.	2,436,800	172,281,760	0.04	0.29
IDFC BANK LIMITED	3,102,982	112,638,247	0.03	0.19
PUNJAB NATIONAL BANK	388,806	23,211,718	0.01	0.04
		13,821,378,016	3.21	23.52
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	4,024,202	2,937,868,670	0.68	5.00
TATA CONSULTANCY SERVICES LTD.	1,151,498	2,514,526,183	0.58	4.28
TECH MAHINDRA LTD.	853,112	635,994,996	0.15	1.08
HCL TECHNOLOGIES LIMITED	275,823	300,040,259	0.07	0.51
WIPRO LTD.	359,169	116,370,756	0.03	0.20
		6,504,800,864	1.51	11.07
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	2,829,749	3,559,682,755	0.82	6.05
INDIAN OIL CORPORATION LTD.	2,659,200	407,788,320	0.09	0.69
CASTROL INDIA LTD.	1,696,574	242,355,596	0.06	0.41
BHARAT PETROLEUM CORPORATION LTD.	240,819	90,102,429	0.02	0.15
		4,299,929,100	0.99	7.30
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	10,690,988	3,183,241,677	0.74	5.41
		3,183,241,677	0.74	5.41
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	1,550,653	966,444,482	0.22	1.64
DIVIS LABORATORIES LTD.	462,514	606,309,603	0.14	1.03
CIPLA LTD.	676,091	442,197,319	0.10	0.75
LUPIN LTD.	448,312	403,906,696	0.09	0.69
DR. REDDYS LABORATORIES LTD.	142,537	360,711,259	0.08	0.61
CADILA HEALTHCARE LTD.	559,000	215,746,050	0.05	0.37
AUROBINDO PHARMA LTD.	191,184	142,326,929	0.03	0.24
		3,137,642,338	0.71	5.33

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to Investment category
DEBENTURES & BONDS				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	111,260,000	10,642,397,170	2.46	7.53
AXIS BANK LTD.	99,620,000	9,638,246,074	2.23	6.82
HDFC BANK LTD.	41,550,000	3,951,031,025	0.91	2.80
IDFC BANK LIMITED	19,960,000	1,968,148,802	0.46	1.39
KOTAK MAHINDRA BANK LTD.	9,410,000	935,004,404	0.22	0.66
YES BANK	7,700,000	735,994,200	0.17	0.52
PUNJAB NATIONAL BANK	900,000	84,505,230	0.02	0.06
ING VYSYA BANK LTD.	700,000	72,382,870	0.02	0.05
		28,027,709,775	6.49	19.83
OTHER CREDIT GRANTING				
POWER FINANCE CORPORATION LTD.	143,970,000	13,851,583,601	3.20	9.80
RURAL ELECTRIFICATION CORPORATION LIMITED	123,310,000	11,944,195,153	2.76	8.45
CAN FIN HOMES LTD.	1,500,000	150,138,900	0.03	0.11
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	950,000	86,815,655	0.02	0.06
		26,032,733,309	6.01	18.42
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	106,470,000	10,438,023,930	2.41	7.39
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	46,080,000	4,524,183,306	1.05	3.20
PNB HOUSING FINANCE LIMITED	11,220,000	1,100,804,138	0.25	0.78
HOUSING AND URBAN DEVELOPMENT CORPORATION	1,500,000	145,619,100	0.03	0.10
		16,208,630,474	3.74	11.47
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	68,390,000	6,559,060,997	1.52	4.64
EXPORT IMPORT BANK OF INDIA	50,510,000	4,869,868,587	1.13	3.45
		11,428,929,584	2.65	8.09
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	95,420,000	9,118,224,386	2.11	6.45
		9,118,224,386	2.11	6.45

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - UTI RETIREMENT SOLUTIONS LIMITED - NPS LITE SCHEME - GOVT PATTERN
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	412 91 62 545	403 58 17 866	390 20 30 646
Reserves and Surplus	2	461 31 34 819	444 26 98 954	422 25 22 548
Current Liabilities and Provisions	3	13 21 267	23 64 386	33 02 060
Total		874 36 18 631	848 08 81 206	812 78 55 254
Assets				
Investments	4	853 65 76 933	830 29 20 698	794 90 21 280
Deposits	5	-	-	-
Other Current Assets	6	20 70 41 698	17 79 60 508	17 88 33 974
Total		874 36 18 631	848 08 81 206	812 78 55 254
(a) Net assets as per Balance Sheets		874 22 97 364	847 85 16 820	812 45 53 195
(b) Number of units outstanding		41 29 16 255	40 35 81 787	39 02 03 064
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - UTI RETIREMENT SOLUTIONS LIMITED - NPS LITE SCHEME - GOVT PATTERN
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		1 02 24 192	54 76 426	1 02 29 695
Interest		29 24 12 053	27 15 31 747	25 53 91 772
Profit on sale/redemption of investments		2 08 86 256	3 68 58 975	2 61 12 535
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		12 61 25 814	7 37 92 544	18 89 57 857
Other income				
- Miscellaneous Income		474	-	944
Total Income (A)		44 96 48 789	38 76 59 692	48 06 92 803
Expenses and Losses				
Unrealized losses in value of investments		37 88 17 697	31 01 35 651	7 02 11 144
Loss on sale/redemption of investments		35 02 165	21 12 856	18 50 844
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		5 21 804	4 96 498	4 70 216
NPS Trust fees		2 16 768	4 12 511	3 95 550
Custodian fees (including service Tax / GST)		1 56 200	1 32 093	1 29 066
Depository and settlement charges (including service Tax / GST)		28 457	31 218	23 930
CRA Fees		1 22 67 656	1 65 95 773	1 24 24 737
Less: Amount recoverable on sale of units on account of CRA Charges		(1 22 67 656)	(1 65 95 773)	(1 24 24 737)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	4	-
Total Expenditure (B)		38 32 43 091	31 33 20 831	7 30 80 750
Surplus/(Deficit) for the year (A-B)		6 64 05 698	7 43 38 861	40 76 12 053
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		25 26 91 883	23 63 43 107	(11 87 46 713)
Less: Amount transferred (to) / from General Reserve		(31 90 97 581)	(31 06 81 968)	(28 88 65 340)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - UTI RETIREMENT SOLUTIONS LIMITED - NPS LITE SCHEME - GOVT PATTERN
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	403 58 17 866	390 20 30 646	377 48 59 300
Add :Units issued during the year	12 80 07 100	17 28 41 464	17 90 61 465
Less: Units redeemed during the year	(3 46 62 421)	(3 90 54 244)	(5 18 90 119)
Outstanding at the end of the year	412 91 62 545	403 58 17 866	390 20 30 646
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	40 35 81 787	39 02 03 064	37 74 85 930
Add :Units issued during the year	1 28 00 710	1 72 84 147	1 79 06 146
Less: Units redeemed during the year	(34 66 242)	(39 05 424)	(51 89 012)
Outstanding units at the end of the year	41 29 16 255	40 35 81 787	39 02 03 064

Schedule 2	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	194 95 93 354	180 37 55 809	167 52 20 255
Add: Premium on Units issued	14 24 06 017	18 84 22 899	18 21 21 617
Less: Premium on Units redeemed	(3 83 75 850)	(4 25 85 354)	(5 35 86 063)
Add: Transfer from General Reserve	-	-	-
Closing Balance	205 36 23 521	194 95 93 354	180 37 55 809
General Reserve			
Opening Balance	200 34 13 654	169 27 31 686	140 38 66 345
Add: Transfer from Revenue Account	31 90 97 581	31 06 81 968	28 88 65 340
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	232 25 11 235	200 34 13 654	169 27 31 686
Unrealised Appreciation Reserve			
Opening Balance	48 96 91 946	72 60 35 053	60 72 88 340
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	(25 26 91 883)	(23 63 43 107)	11 87 46 713
Closing Balance	23 70 00 063	48 96 91 946	72 60 35 053
Total	461 31 34 819	444 26 98 954	422 25 22 548

Schedule 3	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	4 46 034	5 41 494	8 78 697
Book Overdraft	-	-	-
Redemption Payable	8 65 362	18 13 254	24 14 290
TDS Payable	9 871	9 638	9 073
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	13 21 267	23 64 386	33 02 060

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - UTI RETIREMENT SOLUTIONS LIMITED - NPS LITE SCHEME - GOVT PATTERN
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	120 42 56 555	114 51 56 955	117 62 47 087
Preference Shares	7 49 257	7 20 300	7 42 018
Debentures and Bonds Listed/Awaiting Listing	290 42 95 466	288 50 67 607	282 00 25 469
Central and State Government Securities (including treasury bills)	429 13 97 484	409 59 55 328	392 52 90 097
Commercial Paper	-	-	-
ALF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	13 58 78 171	17 60 20 508	2 67 16 609
Total	853 65 76 933	830 29 20 698	794 90 21 280

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	-	1 04 39 177	3 592
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	19 65 98 420	16 72 96 918	17 81 91 055
Dividend Receivable	4 43 278	2 24 413	6 39 327
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	1 00 00 000	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	20 70 41 698	17 79 60 508	17 88 33 974

NATIONAL PENSION SYSTEM TRUST

NPS Trust – A/C UTI Retirement Solutions Limited – NPS Lite Scheme – Govt. Pattern

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 4th October, 2010.
3. **Investment pattern to be followed as per PFRDA Regulations:**

Sr. No.	Investment Pattern	% of amount to be invested
(i)	Government Securities	Upto 50
(ii)	Debt Securities	Upto 45
(iii)	Money Market instruments	Upto 5
(iv)	Equity Shares	Upto 15

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.
3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
 - a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE .
 - ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.

iii. **Right entitlement:**

- a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
- b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. **Debentures, corporate bonds, commercial papers and certificate of deposits:**

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

- c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
 - d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.
7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

- D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.	Impact was not ascertainable.
2. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).	They are being valued at average of price given by CRISIL and ICRA	The Market Value derived as per valuation policy is lower by ₹ 1.41 Crores.
3. Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded, which is contrary to the stipulation in accounting policy.	Money Market instruments are valued as per debt securities. i.e. upto 60 days residual maturity - Amortisation, above 60 days - YTM basis.	Impact was not ascertainable.

- E. **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.
- F. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.0102%	0.0102%	₹ 5,21,804	₹ 4,96,498

* excluding service tax / GST

** including service tax / GST

G. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 2,16,768	₹ 4,12,511

H. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
1,451.86	167.88	1,398.45	161.71	1,131.95	136.80	1,070.42	129.37

I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 133.35 Crores. (Previous Period ₹ 132.77 Crores)

J. **Net Asset Value:**

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 21.1720	₹ 21.1638	₹ 21.0081

* NAV not declared, being a non - business day

** On last business day

K. **Income and Expenditure:** The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
44.96	5.20	38.32	4.43	38.77	4.69	31.33	3.79

L. **Other disclosures:**

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 1,390.28	₹ 13.59	₹ 1,053.68	₹ 17.60

N. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

O. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS. POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	231,452	70,720,159	0.81	5.87
HDFC BANK LTD.	31,854	63,900,717	0.73	5.30
STATE BANK OF INDIA	143,180	38,014,290	0.43	3.15
AXIS BANK LTD.	60,005	36,798,066	0.42	3.05
KOTAK MAHINDRA BANK LTD.	28,328	32,339,245	0.37	2.68
INDUSIND BANK LTD.	15,070	25,469,054	0.29	2.11
BANK OF BARODA	78,155	7,776,423	0.09	0.65
FEDERAL BANK LTD.	91,000	6,433,700	0.07	0.53
IDFC BANK LIMITED	81,204	2,947,705	0.03	0.24
YES BANK	11,750	2,157,888	0.02	0.18
PUNJAB NATIONAL BANK	20,125	1,201,463	0.01	0.10
		287,758,710	3.27	23.86
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	98,582	71,969,789	0.82	5.97
TATA CONSULTANCY SERVICES LTD.	30,174	65,890,964	0.75	5.47
TECH MAHINDRA LTD.	14,640	10,914,120	0.12	0.91
		148,774,873	1.69	12.35
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	77,042	96,914,984	1.11	8.04
INDIAN OIL CORPORATION LTD.	44,000	6,747,400	0.08	0.56
		103,662,384	1.19	8.60
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	265,309	78,995,755	0.90	6.56
		78,995,755	0.90	6.56
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	49,885	31,090,826	0.36	2.58
CIPLA LTD.	13,100	8,568,055	0.10	0.71
DR. REDDYS LABORATORIES LTD.	3,021	7,645,094	0.09	0.63
DIVIS LABORATORIES LTD.	5,506	7,217,815	0.08	0.60
LUPIN LTD.	7,209	6,494,949	0.07	0.54
		61,016,739	0.70	5.06

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	2,810,000	274,270,481	3.14	9.44
POWER FINANCE CORPORATION LTD.	2,450,000	240,222,898	2.75	8.27
		514,493,379	5.89	17.71
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
EXPORT IMPORT BANK OF INDIA	1,970,000	193,217,859	2.21	6.65
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	1,760,000	170,503,988	1.95	5.87
		363,721,847	4.16	12.52
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	1,720,000	167,573,187	1.92	5.77
AXIS BANK LTD.	770,000	76,117,241	0.87	2.62
IDFC BANK LIMITED	760,000	75,299,006	0.86	2.59
HDFC BANK LTD.	330,000	31,285,815	0.36	1.08
PUNJAB NATIONAL BANK	80,000	7,511,576	0.09	0.26
		357,786,825	4.10	12.32
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	1,680,000	165,671,428	1.90	5.70
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	860,000	85,279,250	0.98	2.94
PNB HOUSING FINANCE LIMITED	320,000	31,433,513	0.36	1.08
		282,384,191	3.24	9.72
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	2,480,000	240,246,074	2.75	8.27
		240,246,074	2.75	8.27
ELECTRIC POWER GENERATION AND TRANSMISSION BY NUCLEAR POWER PLANTS				
NUCLEAR POWER CORPORATION OF INDIA LIMITED	1,670,000	165,786,661	1.90	5.71
		165,786,661	1.90	5.71

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CORPORATE CG
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	-	-	-
Reserves and Surplus	2	-	-	-
Current Liabilities and Provisions	3	-	-	-
Total		-	-	-
Assets				
Investments	4	-	-	-
Deposits	5	-	-	-
Other Current Assets	6	-	-	-
Total		-	-	-
(a) Net assets as per Balance Sheets		-	-	-
(b) Number of units outstanding		-	-	-
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CORPORATE CG
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended Sept 30, 2017 ₹
Income				
Dividend		-	-	-
Interest		-	-	-
Profit on sale/redemption of investments		-	-	-
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		-	-	-
Other income		-	-	-
- Miscellaneous Income		-	-	-
Total Income (A)		-	-	-
Expenses and Losses				
Unrealized losses in value of investments		-	-	-
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		-	-	-
NPS Trust fees		-	-	-
Custodian fees (including service Tax / GST)		-	-	-
Depository and settlement charges (including service Tax / GST)		-	-	-
CRA Fees		-	-	-
Less: Amount recoverable on sale of units on account of CRA Charges		-	-	-
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		-	-	-
Surplus/(Deficit) for the year (A-B)		-	-	-
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	-	-
Less: Amount transferred (to) / from General Reserve		-	-	-
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CORPORATE CG
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	No.	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital				
Outstanding at the beginning of the year		-	-	-
Add :Units issued during the year		-	-	-
Less: Units redeemed during the year		-	-	-
Outstanding at the end of the year		-	-	-
(Face Value of Rs.10/- each unit, fully paid up)				
Outstanding units at the beginning of the year		-	-	-
Add :Units issued during the year		-	-	-
Less: Units redeemed during the year		-	-	-
Outstanding units at the end of the year		-	-	-
<hr/>				
Schedule 2		As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus				
Unit Premium Reserve				
Opening Balance		-	-	-
Add: Premium on Units issued		-	-	-
Less: Premium on Units redeemed		-	-	-
Add: Transfer from General Reserve		-	-	-
Closing Balance		-	-	-
General Reserve				
Opening Balance		-	-	-
Add: Transfer from Revenue Account		-	-	-
Less: Transfer to Unit Premium Reserve		-	-	-
Closing Balance		-	-	-
Unrealised Appreciation Reserve				
Opening Balance		-	-	-
Add: Adjustment for Previous years unrealised appreciation reserve		-	-	-
Add/(Less): Transfer from/(to) Revenue Account		-	-	-
Closing Balance		-	-	-
Total		-	-	-
<hr/>				
Schedule 3		As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions				
Current Liabilities				
Sundry Creditors for expenses		-	-	-
Book Overdraft		-	-	-
Redemption Payable		-	-	-
TDS Payable		-	-	-
Contracts for purchase of investments		-	-	-
Amount Payable to Other Schemes		-	-	-
Provision for Interest overdue		-	-	-
Provision on upgraded assets		-	-	-
Interest received in Advance		-	-	-
Total		-	-	-

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CORPORATE CG
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	-	-	-
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securitie	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	-	-	-
Total	-	-	-

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	-	-	-
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	-	-	-
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	-	-	-

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Pension Fund Scheme - Corporate CG

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 5th November, 2012.

3. Investment pattern to be followed as per the PFRDA Regulations:

Sr. No.	Investment Pattern	% of amount to be invested
(i)	Government Securities	Upto 50
(ii)	Debt Securities	Upto 45
(iii)	Money Market instruments	Upto 5
(iv)	Equity Shares	Upto 15

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.

2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.

3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
 - a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.

- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
 - iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.
- b. Debentures, corporate bonds, commercial papers and certificate of deposits:**
- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
 - ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
 - iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
 - iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.

- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
- viii. Partly paid bonds are valued at cost till it is fully paid.
- ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.

c. Central and State Government Securities: Securities are valued at the average of prices provided by CRISIL and ICRA.

d. Mutual fund units: Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.

4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.

5. Income Recognition:

- a. Dividend income is accrued on the "ex-dividend" date.
- b. Interest on interest bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
- d. Interest on Fixed Deposits is accounted on accrual basis.

6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. **Investment Management Fees:** In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.01%	0.01%	₹ NIL	₹ NIL

* excluding service tax / GST

** including service tax / GST

E. **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.

F. **NPS Trust Charges:** The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ NIL	₹ NIL

G. **Purchase/Sale of Investments:** The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

H. The aggregate value of non-traded investments (other than government securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ NIL. (Previous Period ₹ NIL)

I. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 10.0000	₹ 10.0000	₹ 10.0000

* NAV not declared, being a non - business day

** On last business day

J. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

K. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

N. Investment in associates and group companies: ₹ Nil (Previous Period: ₹ Nil)

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS LIMITED SCHEME – ATAL PENSION YOJANA
BALANCE SHEET AS AT SEPTEMBER 30, 2018

Particulars	Schedules	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Liabilities				
Unit Capital	1	1272 73 87 129	975 70 46 517	720 69 92 065
Reserves and Surplus	2	379 88 74 938	284 22 68 397	203 73 05 171
Current Liabilities and Provisions	3	65 46 177	63 76 423	32 73 239
Total		1653 28 08 244	1260 56 91 337	924 75 70 475
Assets				
Investments	4	1618 71 35 725	1236 19 62 723	904 65 91 879
Deposits	5	-	-	-
Other Current Assets	6	34 56 72 519	24 37 28 614	20 09 78 596
Total		1653 28 08 244	1260 56 91 337	924 75 70 475
(a) Net assets as per Balance Sheets		1652 62 62 067	1259 93 14 914	924 42 97 236
(b) Number of units outstanding		127 27 38 713	97 57 04 652	72 06 99 206
Significant Accounting Policies and Notes to Accounts	7			

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS LIMITED SCHEME – ATAL PENSION YOJANA
REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

Particulars	Schedules	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		1 77 65 675	53 89 226	79 41 492
Interest		47 30 08 031	34 39 01 426	24 40 28 092
Profit on sale/redemption of investments		2 48 12 211	88 88 932	1 84 41 669
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		21 40 87 082	10 32 37 286	16 64 41 425
Other income				
- Miscellaneous Income		1 343	-	224
Total Income (A)		72 96 74 342	46 14 16 870	43 68 52 902
Expenses and Losses				
Unrealized losses in value of investments		64 63 70 410	37 47 09 502	7 42 78 950
Loss on sale/redemption of investments		60 23 517	12 99 203	3 40 147
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		8 80 701	6 51 925	4 64 309
NPS Trust fees		3 65 861	5 41 646	3 90 183
Custodian fees (including service Tax / GST)		2 67 475	1 91 668	1 32 333
Depository and settlement charges (including service Tax / GST)		71 497	58 807	39 643
CRA Fees		6 01 74 955	4 37 23 016	3 59 49 219
Less: Amount recoverable on sale of units on account of CRA Charges		(6 01 74 955)	(4 37 23 016)	(3 59 49 219)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	1	-
Total Expenditure (B)		65 39 79 461	37 74 52 752	7 56 45 565
Surplus/(Deficit) for the year (A-B)		7 56 94 881	8 39 64 118	36 12 07 337
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	26 46 90 651	(9 21 62 475)
Less: Amount transferred (to) / from General Reserve		(7 56 94 881)	(34 86 54 769)	(26 90 44 862)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS LIMITED SCHEME – ATAL PENSION YOJANA
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 1	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Unit Capital			
Outstanding at the beginning of the year	975 70 46 517	720 69 92 065	509 41 37 011
Add :Units issued during the year	317 72 08 614	263 94 39 931	218 79 43 225
Less: Units redeemed during the year	(20 68 68 002)	(8 93 85 479)	(7 50 88 171)
Outstanding at the end of the year	1272 73 87 129	975 70 46 517	720 69 92 065
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	97 57 04 652	72 06 99 206	50 94 13 701
Add :Units issued during the year	31 77 20 861	26 39 43 994	21 87 94 322
Less: Units redeemed during the year	(2 06 86 800)	(8 93 85 479)	(7 50 88 171)
Outstanding units at the end of the year	127 27 38 713	97 57 04 652	72 06 99 206
Schedule 2			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	193 07 58 083	120 97 58 975	66 30 00 562
Add: Premium on Units issued	94 24 41 357	74 64 84 923	56 60 29 022
Less: Premium on Units redeemed	(6 15 29 697)	(2 54 85 815)	(1 92 70 609)
Add: Transfer from General Reserve	-	-	-
Closing Balance	281 16 69 743	193 07 58 083	120 97 58 975
General Reserve			
Opening Balance	91 15 10 314	56 28 55 545	29 38 10 683
Add: Transfer from Revenue Account	7 56 94 881	34 86 54 769	26 90 44 862
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	98 72 05 195	91 15 10 314	56 28 55 545
Unrealised Appreciation Reserve			
Opening Balance	-	26 46 90 651	17 25 28 176
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	-	(26 46 90 651)	9 21 62 475
Closing Balance	-	-	26 46 90 651
Total	379 88 74 938	284 22 68 397	203 73 05 171
Schedule 3			
	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	8 14 580	7 61 538	7 87 522
Book Overdraft	-	-	-
Redemption Payable	57 12 798	56 00 402	24 75 330
TDS Payable	18 799	14 483	10 387
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	65 46 177	63 76 423	32 73 239

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS LIMITED SCHEME – ATAL PENSION YOJANA
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT SEPTEMBER 30, 2018

Schedule 4	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Investments (Long Term and Short Term)			
Equity Shares	226 23 21 163	172 26 08 017	130 68 39 414
Preference Shares	4 554	4 378	4 510
Debentures and Bonds Listed/Awaiting Listing	540 10 92 816	421 65 24 143	308 90 77 246
Central and State Government Securities (including treasury bills)	803 56 87 834	613 07 94 960	450 08 53 903
Commercial Paper	-	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/ Commercial mortgage based Securities or Residential mortgage based securities	-	-	-
Basel III Tier I bonds	-	-	-
Others - Mutual Fund Units	48 80 29 358	29 20 31 225	14 98 16 806
Total	1618 71 35 725	1236 19 62 723	904 65 91 879

Schedule 5	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹	As at Sept 30, 2017 ₹
Other Current Assets			
Balances with bank in a current account	4 12 500	32 21 459	1 501
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	34 45 12 873	24 04 36 501	20 05 02 363
Dividend Receivable	7 47 146	70 654	4 74 732
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	34 56 72 519	24 37 28 614	20 09 78 596

NATIONAL PENSION SYSTEM TRUST

NPS Trust - A/C UTI Retirement Solutions Limited Scheme- Atal Pension Yojana

SCHEDULE 7: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

A. Background

1. UTI Retirement Solutions Limited is appointed as a Pension Fund Manager (PFM) by the National Pension System Trust (NPS Trust) for the management of Pension Fund and for this purpose it has entered into an Investment Management Agreement (IMA) with the NPS Trust. As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare Net Asset Value (NAV). As per the architecture, the NSDL e-Governance Infrastructure Ltd. and Karvy Computershare Private Limited, being the Central Recordkeeping Agencies (CRA) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receives funds on consolidated basis in respect of such allotment/redemption. Unit capital is accounted for on the basis of data received from CRA and transfer of funds through Trustee Bank.
2. CRA's responsibilities includes:
 - a. Recordkeeping, Administration and Customer service functions for NPS subscribers,
 - b. Providing Unique Permanent Retirement Account Number (PRAN) to each subscriber,
 - c. Maintaining database of all PRANs issued and recording transactions relating to each subscriber's PRAN,
 - d. PRAN Transaction Statement,
 - e. An operational interface between PFRDA and other NPS intermediaries such as Pension Funds, Annuity Service Providers, Trustee Bank etc.
 - f. CRA is responsible to resolve all queries pertaining to investors. CRA informs about the subscription and redemption to Pension Fund Managers (PFM) and also instructs Trustee Bank to credit PFM's pool account maintained with them.

3. NPS Trust has designated Stock Holding Corporation of India Ltd. (SHCIL) as the custodian, which is responsible for safe custody of securities and settlement of trades. Further, SHCIL has also been designated as valuation service provider, which is responsible for providing rates for valuation, which is used by PFM for valuation of investments. SHCIL also updates the ratings of Bonds and G - Sec as well as Corporate Action.
4. 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, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM records receipt of funds in the respective schemes only.
5. CRA fees, as per the unbundled architecture of the NPS Trust are charged to the scheme as claimed by CRA. PFM receives the scheme - wise subscription funds after deduction of CRA fees.

B. Scheme particulars

1. **Investment objective:** The investment objective of the scheme is to optimise returns on investments.
2. **Commencement:** The Scheme commenced its operations on 4th June, 2015
3. **Investment pattern to be followed as per PFRDA Regulations:**

Sr. No.	Investment Pattern	% of amount to be invested
(i)	Government Securities	Upto 50
(ii)	Debt Securities	Upto 45
(iii)	Money Market instruments	Upto 5
(iv)	Equity Shares	Upto 15

4. Contributions to the Scheme by the investors are withdrawable in accordance with the Pension Fund Regulatory and Development Authority Exit and Withdrawals under National Pension System) Regulations, 2015.

C. Significant Accounting Policies

1. **Basis of Accounting:** The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines - 2012, Accounting Standards specified in Companies (Accounting Standards) Amendment Rules, 2016 under Section 133 of the Companies Act 2013 (the Act), read with Rule 7 of the amended Companies (Accounts) Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. The Scheme maintains books of account on an accrual basis under the historical cost convention, as modified for investments, which are 'marked-to-market'.
2. **Investments:**
 - a. Investments are accounted on trade date.
 - b. Cost is determined on the basis of weighted average cost.
 - c. Rights/Bonus entitlements, if any, are accounted on ex-right/ex-bonus date of the principal stock exchange.
 - d. The company has policy of determining the post demerger cost of acquisition of the equity shares of demerged companies by apportioning pre demerger cost of acquisition in the ratio provided by the demerged company for Income Tax Purposes. In case the information of cost split allocation ratio is not made available by the demerged company on ex - date and if shares of only one company continue to be traded on demerger, the other security is valued at traded value on the day before the demerger less value of the traded security post demerger. If post demerger value of the share of demerged and traded company is equal or in excess of the value of the pre demerger share, then the non traded share is to be valued at zero.
3. **Valuation of investments:** Investments are valued using the price determined in the following manner:
 - a. **Equity:**
 - i. When a security is traded on National Stock Exchange (NSE) on a valuation day, the last quoted closing price at which it was traded on the NSE.

- ii. When on a valuation day, a security has not been traded on NSE, the value at which it is traded on BSE is used.
- iii. **Right entitlement:**
 - a. **Traded:** Right entitlement is valued at the closing market price on the valuation date.
 - b. **Non-traded:** Right entitlement is valued at the difference of the Ex-right price and the offer price multiplied by the ratio of Right Entitlement.

b. Debentures, corporate bonds, commercial papers and certificate of deposits:

- i. Debt securities (other than Government Securities) with a residual maturity over 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued on a yield to maturity basis, by using spreads over the benchmark rate to arrive at the yield for pricing the security. The spreads and benchmark rates are used from aggregated CRISIL and ICRA daily matrices.
- ii. Debt securities (other than Government securities) with a residual maturity up to 60 days are valued at NSE/BSE weighted average traded price on that day. When such securities are not traded on a day, they are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
- iii. As per current practice followed in industry, if any security's rating falls below investment grade, the security is valued at discount of 25% to the outstanding face value. As informed by Stock Holding Corporation of India Limited (SHCIL), the valuer appointed by the NPS Trust, the same formula has been followed in such cases.
- iv. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- v. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- vi. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.

- vii. Securities with both Put and Call option (single/multiple) on the same day is deemed to mature on the Put/Call option day and is valued accordingly.
 - viii. Partly paid bonds are valued at cost till it is fully paid.
 - ix. Perpetual bond with single/multiple call options are valued at lowest price on each option date.
- c. **Central and State Government Securities:** Securities are valued at the average of prices provided by CRISIL and ICRA.
- d. **Mutual fund units:** Mutual fund units are valued at the latest available/previous day's NAV from Association of Mutual Funds in India (AMFI) website.
4. Appreciation/Depreciation, as the case may be, in the value of the securities at the year-end have been computed for the Scheme, whereby the aggregate market value of all investments taken together is compared with aggregate cost of acquisition. The change in net appreciation/depreciation is recognised in Revenue Account.
5. **Income Recognition:**
- a. Dividend income is accrued on the "ex-dividend" date.
 - b. Interest on interest - bearing and other fixed income investments is recognised on a day to day basis as it is earned. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
 - c. Other income of miscellaneous nature is accounted for when there is certainty of collection.
 - d. Interest on Fixed Deposits is accounted on accrual basis.
6. **Computation of Net Asset Value (NAV):** The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

7. **Unit Premium Reserve:** Difference between the issue/redemption price and face value of units is credited/debited to Unit Premium Reserve after each subscription / redemption.

D. The valuation policy of the Scheme, as advised by SHCIL, is at variance with PFRDA'S guidelines. The details of deviation are as under:

PFRDA Guidelines	Valuation Policy	Impact as on 30-09-18
<p>1. Securities traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.</p>	<p>When such securities are not traded on a valuation day, they are valued on a yield to maturity basis if residual maturity exceeds 60 days otherwise at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.</p>	<p>Impact was not ascertainable.</p>
<p>2. Valuation of G- sec at YTM based on prevailing market prices (FIMMDA).</p>	<p>They are being valued at average of price given by CRISIL and ICRA</p>	<p>The Market Value derived as per valuation policy is lower by ₹ 2.74 Crores.</p>
<p>3. Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded, which is contrary to the stipulation in accounting policy.</p>	<p>Money Market instruments are valued as per debt securities. i.e. upto 60 days residual maturity - Amortisation, above 60 days - YTM basis.</p>	<p>Impact was not ascertainable.</p>
<p>4. Front-end discount should be reduced from the Cost of investments.</p>	<p>Front-end discount is taken to Income.</p>	<p>Impact was not ascertainable.</p>

E. 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.

F. Investment Management Fees: In terms of the IMA, the scheme has accrued management fees payable to PFM as a percentage of scheme's average daily net assets. The basis of management fees and aggregate management fees on average daily net asset is as under:

Management Fees % p.a.*		Management Fees **	
Current Period	Previous Period	Current Period	Previous Period
0.0102%	0.0102%	₹ 8,80,701	₹ 6,51,925

* excluding service tax / GST

** including service tax / GST

G. NPS Trust Charges: The Scheme has accrued NPS Trust Charges payable to NPS Trust as a percentage of Scheme's Average Daily Net Assets. The basis of NPS Trust Charges and aggregate NPS Trust Fees are as under:

NPS Trust Charges % p.a.		NPS Trust Charges	
Current Period	Previous Period	Current Period	Previous Period
0.005%	0.01%	₹ 3,65,861	₹ 5,41,646

H. Purchase/Sale of Investments: The aggregate value of purchase and sales of investments during the period and expressed as a percentage of average daily net asset are as under:

₹ in Crores

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
4,078.74	279.07	3,654.87	250.07	2,473.59	227.34	2,111.21	194.03

I. The aggregate value of non-traded investments (other than Government Securities) where investments have been valued "in good faith" exceed 5% of the NAV as at 30th September, 2018 is ₹ 170.56 Crores. (Previous Period ₹ 156.82 Crores)

J. Net Asset Value:

Current Period		Previous Period
As on 30 th Sept, 2018*	As on 28 th Sept, 2018**	As on 31 st March, 2018
₹ 12.9848	₹ 12.9799	₹ 12.9130

* NAV not declared, being a non - business day

** On last business day

K. Income and Expenditure: The total income and expenditure for the period as a percentage of the scheme's average net assets are as under:

Current Period				Previous Period			
Income		Expenditure		Income		Expenditure	
₹ in Crores	%	₹ in Crores	%	₹ in Crores	%	₹ in Crores	%
72.97	4.99	65.40	4.47	46.14	4.24	37.75	3.47

L. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	Nil	Nil
Non performing investments- Carrying value	Nil	Nil
Non performing investments- Market value	Nil	Nil
Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest	Nil	Nil

M. Investment in associates and group companies: The Scheme has made following investment in the Associate and Group companies of the PFM:

₹ in Crores

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI - Liquid Cash Plan - Institutional - Direct Plan - Growth	₹ 3,667.92	₹ 48.80	₹ 2,102.50	₹ 29.20

N. Details of Net Unrealized Gains / (Losses) for the period are given below:

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ (43.23)	₹ (27.15)

O. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 30th September, 2018 is given in Annexure A.

P. The Previous Period figures are regrouped/ reclassified, wherever necessary.

ANNEXURE A

Industry wise classification where industry exposure % to total exposure in investment category is >= 5%

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
EQUITY SHARES				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS. POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	409,998	125,274,889	0.76	5.54
HDFC BANK LTD.	52,649	105,616,526	0.64	4.67
KOTAK MAHINDRA BANK LTD.	73,541	83,954,406	0.51	3.71
STATE BANK OF INDIA	271,323	72,036,257	0.44	3.18
AXIS BANK LTD.	87,450	53,628,713	0.32	2.37
INDUSIND BANK LTD.	26,611	44,973,921	0.27	1.99
YES BANK	123,570	22,693,631	0.14	1.00
BANK OF BARODA	150,182	14,943,109	0.09	0.66
IDFC BANK LIMITED	14,780	536,514	0.00	0.02
PUNJAB NATIONAL BANK	144	8,597	0.00	0.00
		523,666,563	3.17	23.14
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
TATA CONSULTANCY SERVICES LTD.	55,732	121,701,968	0.74	5.38
INFOSYS LTD.	156,760	114,442,638	0.69	5.06
TECH MAHINDRA LTD.	80,027	59,660,129	0.36	2.64
HCL TECHNOLOGIES LIMITED	76	82,673	0.00	0.00
		295,887,408	1.79	13.08
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	114,602	144,163,586	0.87	6.37
INDIAN OIL CORPORATION LTD.	145,600	22,327,760	0.14	0.99
CASTROL INDIA LTD.	62,400	8,913,840	0.05	0.39
HINDUSTAN PETROLEUM CORPORATION LTD.	7,500	1,885,875	0.01	0.08
		177,291,061	1.07	7.83
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	65,585	40,875,851	0.25	1.81
CADILA HEALTHCARE LTD.	62,500	24,121,875	0.15	1.07
CIPLA LTD.	31,638	20,692,834	0.13	0.91
DIVIS LABORATORIES LTD.	14,149	18,547,924	0.11	0.82
LUPIN LTD.	17,279	15,567,515	0.09	0.69
DR. REDDYS LABORATORIES LTD.	4,874	12,334,388	0.07	0.55
AUROBINDO PHARMA LTD.	5,200	3,871,140	0.02	0.17
		136,011,527	0.82	6.02
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	423,613	126,130,771	0.76	5.58
		126,130,771	0.76	5.58
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	52,919	92,846,386	0.56	4.10
LIC HOUSING FINANCE LTD.	59,700	24,918,780	0.15	1.10
		117,765,166	0.71	5.20

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
AXIS BANK LTD.	4,690,000	451,073,250	2.73	8.35
ICICI BANK LTD.	4,720,000	447,902,707	2.71	8.29
HDFC BANK LTD.	1,430,000	135,571,865	0.82	2.51
IDFC BANK LIMITED	370,000	36,208,046	0.22	0.67
YES BANK	200,000	18,691,400	0.11	0.35
KOTAK MAHINDRA BANK LTD.	10,000	995,794	0.01	0.02
		1,090,443,062	6.60	20.19
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	5,300,000	506,286,467	3.06	9.37
POWER FINANCE CORPORATION LTD.	4,970,000	475,097,140	2.87	8.80
CAN FIN HOMES LTD.	70,000	7,006,482	0.04	0.13
		988,390,089	5.97	18.30
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	5,520,000	530,126,126	3.21	9.82
EXPORT IMPORT BANK OF INDIA	1,980,000	189,359,418	1.15	3.51
		719,485,544	4.36	13.33
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	4,430,000	430,176,454	2.60	7.96
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	970,000	94,868,120	0.57	1.76
PNB HOUSING FINANCE LIMITED	630,000	62,389,212	0.38	1.16
		587,433,786	3.55	10.88
ELECTRIC POWER GENERATION AND TRANSMISSION BY NUCLEAR POWER PLANTS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	3,500,000	336,876,280	2.04	6.24
		336,876,280	2.04	6.24