

NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED
COMBINED BALANCE SHEET OF ALL SCHEMES AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	37262 75 84 165	33304 78 31 846	29875 24 19 373
Reserves and Surplus	2	56445 06 27 673	44289 63 90 825	39608 02 75 192
Current Liabilities and Provisions	3	18 10 66 493	10 05 14 670	12 08 59 334
Total		93725 92 78 331	77604 47 37 341	69495 35 53 899
Assets				
Investments	4	91259 19 33 256	75824 88 52 678	67924 66 59 110
Deposits	5	373 63 59 394		
Other Current Assets	6	2093 09 85 681	1779 58 84 663	1570 68 94 789
Total		93725 92 78 331	77604 47 37 341	69495 35 53 899
(a) Net assets as per Balance Sheets		93707 82 11 838	77594 42 22 671	69483 26 94 565
(b) Number of units outstanding		3726 27 58 415	3330 47 83 185	2987 52 41 937
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		49 77 39 126	87 14 03 311	37 25 92 937
Interest		2819 92 15 566	2464 46 60 566	2125 32 97 609
Profit on sale/redemption of investments		119 22 83 260	81 36 50 949	166 06 57 921
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		4341 88 27 533	1063 00 45 596	574 39 61 236
Other income				
- Miscellaneous Income		1 981	75 504	-
Total Income (A)		7330 80 67 466	3695 98 35 926	2903 05 09 703
Expenses and Losses				
Unrealized losses in value of investments		472 82 36 716	3287 94 91 895	2272 71 36 796
Loss on sale/redemption of investments		6 01 390	43 12 73 563	13 62 40 336
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		5 11 24 949	4 44 82 698	3 91 66 766
NPS Trust fees		1 31 21 136	1 84 82 374	3 25 46 298
Custodian fees (including service Tax / GST)		1 50 61 269	1 33 52 373	1 08 83 311
Depository and settlement charges (including service Tax / GST)		31 43 825	28 29 159	24 79 621
CRA Fees		8 33 83 324	7 61 03 200	6 37 82 150
Less: Amount recoverable on sale of units on account of CRA Charges		(8 33 83 324)	(7 61 03 200)	(6 37 82 150)
Provision for Non-Performing Assets		23 75 14 479	-	-
Other Expenses		-	-	214
Total Expenditure (B)		504 88 03 764	3338 99 12 062	2294 84 53 343
Surplus/(Deficit) for the year (A-B)		6825 92 63 702	356 99 23 864	608 20 56 360
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		-	2224 94 46 299	1698 31 75 560
Less: Amount transferred (to) / from General Reserve		(6825 92 63 702)	(2581 93 70 163)	(2306 52 31 920)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	33304 78 31 846	29875 24 19 373	26565 97 54 676
Add :Units issued during the year	4092 19 85 484	3570 45 32 144	3414 30 66 982
Less: Units redeemed during the year	(134 22 33 165)	(140 91 19 671)	(105 04 02 285)
Outstanding at the end of the year	<u>37262 75 84 165</u>	<u>33304 78 31 846</u>	<u>29875 24 19 373</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	3330 47 83 185	2987 52 41 937	2656 59 75 467
Add :Units issued during the year	409 21 98 548	357 04 53 215	341 43 06 698
Less: Units redeemed during the year	(13 42 23 318)	(14 09 11 967)	(10 50 40 228)
Outstanding units at the end of the year	<u>3726 27 58 415</u>	<u>3330 47 83 185</u>	<u>2987 52 41 937</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	27807 21 52 572	23482 59 60 803	19362 34 58 020
Add: Premium on Units issued	5496 14 57 873	4494 75 91 963	4251 82 60 731
Less: Premium on Units redeemed	(166 64 84 727)	(170 14 00 194)	(131 57 57 948)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>33136 71 25 718</u>	<u>27807 21 52 572</u>	<u>23482 59 60 803</u>
General Reserve			
Opening Balance	16135 93 77 670	13554 00 07 507	11247 47 75 587
Add: Transfer from Revenue Account	6825 92 63 702	2581 93 70 163	2306 52 31 920
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>22961 86 41 372</u>	<u>16135 93 77 670</u>	<u>13554 00 07 507</u>
Unrealised Appreciation Reserve			
Opening Balance	346 48 60 583	2571 43 06 882	4269 74 82 442
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	-	(2224 94 46 299)	(1698 31 75 560)
Closing Balance	<u>346 48 60 583</u>	<u>346 48 60 583</u>	<u>2571 43 06 882</u>
Total	<u>56445 06 27 673</u>	<u>44289 63 90 825</u>	<u>39608 02 75 192</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	3 86 68 045	3 92 06 403	4 33 59 715
Book Overdraft	-	-	-
Redemption Payable	8 00 21 253	6 04 29 404	7 67 00 464
TDS Payable	10 83 942	8 78 863	7 99 155
Contracts for purchase of investments	6 12 93 253	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>18 10 66 493</u>	<u>10 05 14 670</u>	<u>12 08 59 334</u>

NATIONAL PENSION SYSTEM TRUST
UTI RETIREMENT SOLUTIONS LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL SCHEMES AS AT MARCH 31, 2019

Schedule 4	As at March 31, 2019	As at Sept 30, 2018	As at March 31, 2018
	₹	₹	₹
Investments (Long Term and Short Term)			
Equity Shares	13106 02 98 079	10815 26 85 747	9513 58 47 282
Preference Shares	-	2 66 07 076	2 55 78 782
Debentures and Bonds Listed/Awaiting Listing	32653 94 29 336	25427 22 72 172	23972 13 41 189
Central and State Government Securities (including treasury bills)	45079 62 15 535	38119 54 65 389	33784 92 32 497
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	297 10 04 785	1460 18 22 294	651 46 59 360
Non Convertible Debentures classified as NPA	131 25 00 000	-	-
Less: Provision on Non performing investment	(8 75 14 479)	-	-
Total	91259 19 33 256	75824 88 52 678	67924 66 59 110

Schedule 5	As at March 31, 2019	As at Sept 30, 2018	As at March 31, 2018
	₹	₹	₹
Deposits			
Deposits with Scheduled Banks	373 63 59 394	-	-
Total	373 63 59 394	-	-

Schedule 6	As at March 31, 2019	As at Sept 30, 2018	As at March 31, 2018
	₹	₹	₹
Other Current Assets			
Balances with bank in a current account	116 31 57 340	1 65 00 033	72 85 18 604
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	24 02 84 703	-	-
Less: Provision for interest on Non-Performing Investment	(24 02 84 703)	-	-
Outstanding and accrued income	1929 10 11 876	1739 54 66 092	1496 91 26 597
Dividend Receivable	2 42 48 648	3 39 18 538	92 49 588
Brokerage receivable from PFM	2 998	-	-
Application money pending allotment	-	-	-
Sundry Debtors	20 25 64 819	35 00 00 000	-
Redemption receivable on Non performing Investment	40 00 00 000	-	-
Less: Provision for Non Performing Investment	(15 00 00 000)	-	-
Total	2093 09 85 681	1779 58 84 663	1570 68 94 789

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 MARCH 31, 2019

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	<p>To optimize returns through investments in :-</p> <ul style="list-style-type: none"> 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; c. ETFs / Index Funds regulated by the SEBI 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 corporate; and e. Exchange traded derivatives regulated by SEBI
2.	Scheme E - Tier II	
3.	Scheme C - Tier I	
4.	Scheme C - Tier II	<p>To optimize returns through investments in: -</p> <ul style="list-style-type: none"> 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; 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	
6.	Scheme G - Tier II	<p>To optimize returns through investments in: -</p> <ul style="list-style-type: none"> 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 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><tr><th>Instrument</th><th>Limit</th></tr><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></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%													
Short Term Debt Instruments and related investments	Upto 5%													
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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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. **Non Performing Investments:**
- Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.

7. **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.
8. **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 31-03-19
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	Impact was not ascertainable.
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.

Based on the confirmation from CRA the number of units as at the year-end are 37262725700.3483 and the balance 32715.1448 have been identified as residual units with CRA.

Total 5363367.5208 Units are lying in the name of "CRA Unitisation Pooled PRAN" maintained by CRA. As explained by CRA, the subscribers have not been identified for the same. Moreover total 8.0200 Units are lying in the name of "Central Govt. Suspense PRAN", "State Govt. Suspense PRAN" & "UOS Suspense PRAN" maintained by CRA. As explained by CRA this is parking account for error rectification. The possible impact, if any, shall be known after completion of identification / reconciliation process.

- 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 ₹ 5,11,24,949/- (Previous Period ₹ 4,44,82,698/-) including 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 ₹ 1,31,21,136/- (Previous Period ₹ 1,84,82,374/-).
- 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	%
74,200.08	87.02	61,673.50	72.33	53,182.97	72.09	42,755.35	57.96

- 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 31st March, 2019 is ₹ 14,244.32 Crores (Previous Period ₹ 10,494.26 Crores).

J. Net Asset Value:

Sr. No.	Name of Scheme	Current Period	Previous Period	
		As on 31st March, 2019 (in ₹)	As on 30th Sept, 2018* (in ₹)	As on 28th Sept, 2018** (in ₹)
1.	Scheme E - Tier I	30.0412	28.1910	28.1909
2.	Scheme E - Tier II	24.4907	22.9975	22.9972
3.	Scheme C - Tier I	24.0223	22.2903	22.2803
4.	Scheme C - Tier II	22.9910	21.3725	21.3629
5.	Scheme G - Tier I	22.1649	20.3318	20.3229
6.	Scheme G - Tier II	22.7962	20.8466	20.8374
7.	Scheme A - Tier I	11.8195	11.3866	11.3805
8.	Scheme A - Tier II	10.0000	10.0000	10.0000
9.	Scheme - Central Govt	27.5576	25.4533	25.4435
10.	Scheme - State Govt.	24.5351	22.6515	22.6428
11.	NPS Lite Scheme - Govt. Pattern	22.8775	21.1720	21.1638
12.	Scheme - Corporate CG	10.0000	10.0000	10.0000
13.	Atal Pension Yojana	14.0746	12.9848	12.9799

* 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	%
7,330.81	8.60	504.88	0.59	3,695.98	5.01	3,338.99	4.53

L. Non-Performing Assets:

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

₹ in Crores

Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value	214.79	NIL
Provision for NPA	23.76	NIL
Carrying Cost	191.03	NIL
Market Value***	-	-
% of NPA (Gross) to AUM	0.23	NIL

*** Investment is not traded, hence market value is not ascertainable.

- M. Contingent liability as on 31st March, 2019 is ₹ 10,07,97,650 towards uncalled amount of ₹ 461 per shares on 2,18,650 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 10,07,97,650).
- N. Details of Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest as on 31st March, 2019 is ₹ NIL. (Previous Period ₹ Nil)
- O. The investment in Air India Bond has been reclassified as per Government Security as it satisfies the criteria of Government Security as per the Investment Guideline of PFRDA.
- P. **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 Asset Management Company Limited	₹ 60,045.54	₹ 246.49	₹ 43,159.49	₹ 1,460.18

- Q. **Portfolio:** Please refer scheme wise financials for industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019.
- R. 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 MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	125 89 53 097	96 44 26 710	84 72 90 587
Reserves and Surplus	2	252 31 00 401	175 43 96 427	140 66 33 441
Current Liabilities and Provisions	3	1 30 99 203	18 76 993	34 50 062
Total		379 51 52 701	272 07 00 130	225 73 74 090
Assets				
Investments	4	375 68 18 196	271 97 12 338	225 69 51 015
Deposits	5	2 63 62 311	-	-
Other Current Assets	6	1 19 72 194	9 87 792	4 23 075
Total		379 51 52 701	272 07 00 130	225 73 74 090
(a) Net assets as per Balance Sheets		378 20 53 498	271 88 23 137	225 39 24 028
(b) Number of units outstanding		12 58 95 310	9 64 42 671	8 47 29 059
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		1 40 02 429	2 24 00 392	73 99 442
Interest		8 306	-	-
Profit on sale/redemption of investments		1 15 36 097	98 84 205	63 76 267
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		30 91 56 017	25 28 80 159	10 94 65 130
Other income		-	-	-
- Miscellaneous Income		94	791	-
Total Income (A)		33 47 02 943	28 51 65 547	12 32 40 839
Expenses and Losses				
Unrealized losses in value of investments		10 79 21 107	14 43 59 800	6 72 65 733
Loss on sale/redemption of investments		-	52 92 727	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 75 771	1 55 804	1 11 663
NPS Trust fees		44 528	66 019	94 631
Custodian fees (including service Tax / GST)		47 422	43 832	23 468
Depository and settlement charges (including service Tax / GST)		7 679	6 317	4 482
CRA Fees		14 45 537	12 33 207	13 32 107
Less: Amount recoverable on sale of units on account of CRA Charges		(14 45 537)	(12 33 207)	(13 32 107)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	308
Total Expenditure (B)		10 81 96 507	14 99 24 499	6 75 00 285
Surplus/(Deficit) for the year (A-B)		22 65 06 436	13 52 41 048	5 57 40 554
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(20 12 34 910)	(10 85 20 359)	(4 21 99 397)
Less: Amount transferred (to) / from General Reserve		(2 52 71 526)	(2 67 20 689)	(1 35 41 157)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	96 44 26 710	84 72 90 587	63 49 19 685
Add :Units issued during the year	32 83 66 115	16 23 17 235	24 75 35 871
Less: Units redeemed during the year	(3 38 39 728)	(4 51 81 112)	(3 51 64 969)
Outstanding at the end of the year	<u>125 89 53 097</u>	<u>96 44 26 710</u>	<u>84 72 90 587</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	9 64 42 671	8 47 29 059	6 34 91 968
Add :Units issued during the year	3 28 36 612	1 62 31 723	2 47 53 588
Less: Units redeemed during the year	(33 83 973)	(45 18 111)	(35 16 497)
Outstanding units at the end of the year	<u>12 58 95 310</u>	<u>9 64 42 671</u>	<u>8 47 29 059</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	120 76 62 525	99 51 40 587	63 00 96 779
Add: Premium on Units issued	60 37 73 171	29 63 44 506	42 63 67 896
Less: Premium on Units redeemed	(6 15 75 633)	(8 38 22 568)	(6 13 24 088)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>174 98 60 063</u>	<u>120 76 62 525</u>	<u>99 51 40 587</u>
General Reserve			
Opening Balance	11 54 65 720	8 87 45 031	7 52 03 874
Add: Transfer from Revenue Account	2 52 71 526	2 67 20 689	1 35 41 157
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>14 07 37 246</u>	<u>11 54 65 720</u>	<u>8 87 45 031</u>
Unrealised Appreciation Reserve			
Opening Balance	43 12 68 182	32 27 47 823	28 05 48 426
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	20 12 34 910	10 85 20 359	4 21 99 397
Closing Balance	<u>63 25 03 092</u>	<u>43 12 68 182</u>	<u>32 27 47 823</u>
Total	<u>252 31 00 401</u>	<u>175 43 96 427</u>	<u>140 66 33 441</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 31 606	1 34 737	1 25 142
Book Overdraft	-	-	-
Redemption Payable	29 66 854	17 39 265	33 22 602
TDS Payable	3 893	2 991	2 318
Contracts for Purchase of Investments	99 96 850	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>1 30 99 203</u>	<u>18 76 993</u>	<u>34 50 062</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	366 82 56 021	268 60 91 005	216 63 78 012
Preference Shares	-	4 48 072	4 30 755
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	8 85 62 175	3 31 73 261	9 01 42 248
Non Convertible Debentures classified as NPA	-	-	-
Less: Provision on Non performing investment	-	-	-
Total	375 68 18 196	271 97 12 338	225 69 51 015
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	2 63 62 311	-	-
Total	2 63 62 311	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	1 14 85 802	1	2 55 029
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for Interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	8 306	-	-
Dividend Receivable	4 75 088	9 87 791	1 68 046
Brokerage receivable from PFM	2 998	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	1 19 72 194	9 87 792	4 23 075

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.	545,835	218,606,918	5.78	5.96
HDFC BANK LTD.	88,937	206,236,009	5.45	5.62
INDUSIND BANK LTD.	76,217	135,666,260	3.59	3.70
AXIS BANK LTD.	174,543	135,663,547	3.59	3.70
STATE BANK OF INDIA	414,187	132,850,480	3.51	3.62
KOTAK MAHINDRA BANK LTD.	84,395	112,625,128	2.98	3.07
YES BANK	171,055	47,057,231	1.24	1.28
BANK OF BARODA	108,120	13,909,638	0.37	0.38
IDFC BANK LIMITED	64,936	3,603,948	0.10	0.10
PUNJAB NATIONAL BANK	3,627	346,379	0.01	0.01
		1,006,565,538	26.62	27.44
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	241,962	179,983,434	4.76	4.91
TATA CONSULTANCY SERVICES LTD.	68,022	136,156,236	3.60	3.71
TECH MAHINDRA LTD.	84,150	65,291,985	1.73	1.78
HCL TECHNOLOGIES LIMITED	5,578	6,065,796	0.16	0.17
		387,497,451	10.25	10.57
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	166,764	227,341,023	6.01	6.20
INDIAN OIL CORPORATION LTD.	219,400	35,729,290	0.94	0.97
CASTROL INDIA LTD.	79,800	13,278,720	0.35	0.36
BHARAT PETROLEUM CORPORATION LTD.	11,268	4,479,593	0.12	0.12
		280,828,626	7.42	7.65
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	75,144	147,902,178	3.91	4.03
LIC HOUSING FINANCE LTD.	88,000	46,833,600	1.24	1.28
		194,735,778	5.15	5.31
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	647,720	192,534,770	5.09	5.25
		192,534,770	5.09	5.25

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.

- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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%	₹ 1,75,771	₹ 1,55,804

* excluding GST

** including 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.

Based on the confirmation from CRA the number of units as at the year end are 125895278.0224 and the balance 31.6205 have been identified as residual units with CRA.

- 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%	0.005%	₹ 44,528	₹ 66,019

- 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:

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
863.95	288.76	778.88	260.33	626.85	237.86	591.88	224.60

₹ in Crores

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 31st March, 2019 is ₹ NIL. (Previous Period ₹ 0.04 Crores).

I. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 30.0412	₹ 28.1910	₹ 28.1909

* 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	%
33.47	11.19	10.82	3.62	28.52	10.82	14.99	5.69

K. Contingent liability as on 31st March, 2019 is ₹ 11,06,400 towards uncalled amount of ₹ 461 per shares on 2,400 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 11,06,400).

L. Other disclosures:

Particulars	Current Period	Previous Period
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 Asset Management Company Limited	₹ 781.56	₹ 8.86	₹ 582.24	₹ 3.32

₹ in Crores

N. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

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

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME E - TIER II
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	9 51 80 350	8 18 22 059	7 10 85 534
Reserves and Surplus	2	13 79 23 895	10 63 48 531	8 22 68 613
Current Liabilities and Provisions	3	9 90 257	8 90 081	5 68 109
Total		23 40 94 502	18 90 60 671	15 39 22 256
Assets				
Investments	4	23 34 01 113	18 89 90 000	15 38 87 812
Deposits	5	2 46 688	-	-
Other Current Assets	6	4 46 701	70 671	34 444
Total		23 40 94 502	18 90 60 671	15 39 22 256
(a) Net assets as per Balance Sheets		23 31 04 245	18 81 70 590	15 33 54 147
(b) Number of units outstanding		95 18 035	81 82 206	71 08 553
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		9 36 571	15 11 247	5 49 410
Interest		47	-	-
Profit on sale/redemption of investments		4 46 316	11 71 762	5 10 294
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		2 02 77 091	1 77 66 064	91 74 141
Other income		-	-	-
- Miscellaneous Income		-	253	10
Total Income (A)		2 16 60 025	2 04 49 326	1 02 33 855
Expenses and Losses				
Unrealized losses in value of investments		73 26 627	1 00 65 399	46 37 532
Loss on sale/redemption of investments		1	4 80 433	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		11 871	10 585	8 573
NPS Trust fees		3 065	4 485	7 265
Custodian fees (including service Tax / GST)		3 051	3 228	1 309
Depository and settlement charges (including service Tax / GST)		555	483	348
CRA Fees		22 926	21 199	16 927
Less: Amount recoverable on sale of units on account of CRA Charges		(22 926)	(21 199)	(16 927)
Provision for Non-Performing Assets		-	-	-
Other Expenses		10	-	-
Total Expenditure (B)		73 45 180	1 05 64 613	46 55 027
Surplus/(Deficit) for the year (A-B)		1 43 14 845	98 84 713	55 78 828
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(1 29 50 464)	(77 00 665)	(45 36 609)
Less: Amount transferred (to) / from General Reserve		(13 64 381)	(21 84 048)	(10 42 219)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	8 18 22 059	7 10 85 534	6 18 43 229
Add :Units issued during the year	2 53 49 476	2 51 12 715	2 01 33 613
Less: Units redeemed during the year	(1 19 91 185)	(1 43 76 190)	(1 08 91 308)
Outstanding at the end of the year	<u>9 51 80 350</u>	<u>8 18 22 059</u>	<u>7 10 85 534</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	81 82 206	71 08 553	61 84 323
Add :Units issued during the year	25 34 948	25 11 272	20 13 361
Less: Units redeemed during the year	(11 99 119)	(14 37 619)	(10 89 131)
Outstanding units at the end of the year	<u>95 18 035</u>	<u>81 82 206</u>	<u>71 08 553</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	5 65 61 629	4 23 66 424	3 11 51 319
Add: Premium on Units issued	3 26 95 990	3 30 47 147	2 44 69 508
Less: Premium on Units redeemed	(1 54 35 471)	(1 88 51 942)	(1 32 54 403)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>7 38 22 148</u>	<u>5 65 61 629</u>	<u>4 23 66 424</u>
General Reserve			
Opening Balance	1 07 32 641	85 48 593	75 06 374
Add: Transfer from Revenue Account	13 64 381	21 84 048	10 42 219
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>1 20 97 022</u>	<u>1 07 32 641</u>	<u>85 48 593</u>
Unrealised Appreciation Reserve			
Opening Balance	3 90 54 261	3 13 53 596	2 68 16 987
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	1 29 50 464	77 00 665	45 36 609
Closing Balance	<u>5 20 04 725</u>	<u>3 90 54 261</u>	<u>3 13 53 596</u>
Total	<u>13 79 23 895</u>	<u>10 63 48 531</u>	<u>8 22 68 613</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	8 698	9 061	9 361
Book Overdraft	-	-	-
Redemption Payable	9 81 309	8 80 815	5 58 581
TDS Payable	250	205	167
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>9 90 257</u>	<u>8 90 081</u>	<u>5 68 109</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	23 19 74 263	18 46 72 045	15 08 48 621
Preference Shares	-	49 142	47 243
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	14 26 850	42 68 813	29 91 948
Non Convertible Debentures classified as NPA	-	-	-
Less: Provision on Non performing investment	-	-	-
Total	23 34 01 113	18 89 90 000	15 38 87 812

Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	2 46 688	-	-
Total	2 46 688	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	4 11 436	1	19 647
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	47	-	-
Dividend Receivable	35 218	70 670	14 797
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	4 46 701	70 671	34 444

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.	32,842	13,153,221	5.64	5.67
HDFC BANK LTD.	5,470	12,684,383	5.44	5.47
INDUSIND BANK LTD.	6,116	10,886,480	4.67	4.69
KOTAK MAHINDRA BANK LTD.	6,350	8,474,075	3.64	3.65
AXIS BANK LTD.	9,778	7,599,951	3.26	3.28
STATE BANK OF INDIA	19,414	6,227,041	2.67	2.68
YES BANK	8,450	2,324,595	1.00	1.00
BANK OF BARODA	11,270	1,449,886	0.62	0.63
IDFC BANK LIMITED	5,000	277,500	0.12	0.12
		63,077,132	27.06	27.19
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	19,166	14,256,629	6.12	6.15
TATA CONSULTANCY SERVICES LTD.	4,774	9,555,877	4.10	4.12
TECH MAHINDRA LTD.	4,288	3,327,059	1.43	1.43
HCL TECHNOLOGIES LIMITED	1,156	1,257,092	0.54	0.54
		28,396,657	12.19	12.24
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	10,654	14,524,066	6.23	6.26
INDIAN OIL CORPORATION LTD.	7,240	1,179,034	0.51	0.51
BHARAT PETROLEUM CORPORATION LTD.	1,158	460,363	0.20	0.20
CASTROL INDIA LTD.	2,060	342,784	0.15	0.15
		16,506,247	7.09	7.12
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	5,891	11,594,961	4.97	5.00
LIC HOUSING FINANCE LTD.	6,560	3,491,232	1.50	1.51
		15,086,193	6.47	6.51
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	43,577	12,953,263	5.56	5.58
		12,953,263	5.56	5.58
CONSTRUCTION OF UTILITY PROJECTS N.E.C.				
LARSEN & TOUBRO LTD.	8,978	12,437,223	5.34	5.36
		12,437,223	5.34	5.36
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
SUN PHARMACEUTICAL INDUSTRIES LTD.	5,689	2,724,178	1.17	1.17
DIVIS LABORATORIES LTD.	1,350	2,299,185	0.99	0.99
LUPIN LTD.	2,982	2,205,487	0.95	0.95
CADILA HEALTHCARE LTD.	5,400	1,874,070	0.80	0.81
DR. REDDYS LABORATORIES LTD.	490	1,362,323	0.58	0.59
CIPLA LTD.	2,526	1,336,001	0.57	0.58
		11,801,244	5.06	5.09

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 MARCH 31, 2019

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 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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.

- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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%	₹ 11,871	₹ 10,585

* excluding GST

** including 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.

Based on the confirmation from CRA the number of units as at the year end are 9518031.6097 and the balance 3.3662 have been identified as residual units with CRA.

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%	0.005%	₹ 3,065	₹ 4,485

- 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	%
45.02	222.95	41.89	207.47	44.96	251.10	42.29	236.19

- 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 31st March, 2019 is ₹ NIL. (Previous Period ₹ 49,142).

- I. **Net Asset Value:**

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 24.4907	₹ 22.9975	₹ 22.9972

* 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	%
2.17	10.73	0.73	3.64	2.04	11.42	1.06	5.90

- K. Contingent liability as on 31st March, 2019 is ₹ 1,15,250 towards uncalled amount of ₹ 461 per shares on 250 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 1,15,250).

- L. **Other disclosures:**

Particulars	Current Period	Previous Period
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 Asset Management Company Limited	₹ 41.30	₹ 0.14	₹ 41.98	₹ 0.43

N. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

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

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME C - TIER I
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
<u>Liabilities</u>				
Unit Capital	1	90 05 68 673	71 98 30 146	62 44 42 481
Reserves and Surplus	2	126 28 10 306	88 46 93 084	77 35 61 688
Current Liabilities and Provisions	3	17 49 381	14 54 403	17 99 957
Total		216 51 28 360	160 59 77 633	139 98 04 126
<u>Assets</u>				
Investments	4	207 87 27 865	154 37 50 057	135 34 69 839
Deposits	5	1 51 63 728	-	-
Other Current Assets	6	7 12 36 767	6 22 27 576	4 63 34 287
Total		216 51 28 360	160 59 77 633	139 98 04 126
(a) Net assets as per Balance Sheets		216 33 78 979	160 45 23 230	139 80 04 169
(b) Number of units outstanding		9 00 56 867	7 19 83 014	6 24 44 248
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		-	-	-
Interest		6 98 86 251	5 98 22 559	4 26 76 645
Profit on sale/redemption of investments		10 97 079	9 50 695	8 32 806
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		6 62 12 428	12 762	13 83 387
Other income		-	-	-
- Miscellaneous Income		51	401	6
Total Income (A)		13 71 95 809	6 07 86 417	4 48 92 844
Expenses and Losses				
Unrealized losses in value of investments		74 305	6 66 58 278	2 83 62 681
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 05 952	89 965	66 122
NPS Trust fees		27 135	38 121	56 034
Custodian fees (including service Tax / GST)		33 113	27 946	19 721
Depository and settlement charges (including service Tax / GST)		6 583	5 232	4 301
CRA Fees		8 10 081	6 95 816	7 73 094
Less: Amount recoverable on sale of units on account of CRA Charges		(8 10 081)	(6 95 816)	(7 73 094)
Provision for Non-Performing Assets		2 50 000	-	-
Other Expenses		-	-	-
Total Expenditure (B)		4 97 088	6 68 19 542	2 85 08 859
Surplus/(Deficit) for the year (A-B)		13 66 98 721	(60 33 125)	1 63 83 985
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(56 56 222)	61 63 615	2 69 79 294
Less: Amount transferred (to) / from General Reserve		(13 10 42 499)	(1 30 490)	(4 33 63 279)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	71 98 30 146	62 44 42 481	45 74 62 746
Add :Units issued during the year	21 21 41 445	12 10 64 377	18 53 42 706
Less: Units redeemed during the year	(3 14 02 918)	(2 56 76 712)	(1 83 62 971)
Outstanding at the end of the year	<u>90 05 68 673</u>	<u>71 98 30 146</u>	<u>62 44 42 481</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	7 19 83 014	6 24 44 248	4 57 46 275
Add :Units issued during the year	2 12 14 145	1 21 06 437	1 85 34 270
Less: Units redeemed during the year	(31 40 292)	(25 67 671)	(18 36 297)
Outstanding units at the end of the year	<u>9 00 56 867</u>	<u>7 19 83 014</u>	<u>6 24 44 248</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	70 16 40 177	58 44 75 656	38 20 64 559
Add: Premium on Units issued	28 27 85 643	14 87 11 689	22 46 57 127
Less: Premium on Units redeemed	(4 13 67 142)	(3 15 47 168)	(2 22 46 030)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>94 30 58 678</u>	<u>70 16 40 177</u>	<u>58 44 75 656</u>
General Reserve			
Opening Balance	18 30 52 907	18 29 22 417	13 95 59 138
Add: Transfer from Revenue Account	13 10 42 499	1 30 490	4 33 63 279
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>31 40 95 406</u>	<u>18 30 52 907</u>	<u>18 29 22 417</u>
Unrealised Appreciation Reserve			
Opening Balance	-	61 63 615	3 31 42 909
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	56 56 222	(61 63 615)	(2 69 79 294)
Closing Balance	<u>56 56 222</u>	<u>-</u>	<u>61 63 615</u>
Total	<u>126 28 10 306</u>	<u>88 46 93 084</u>	<u>77 35 61 688</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	82 613	80 117	76 941
Bank Overdraft	-	-	-
Redemption Payable	16 64 388	13 72 493	17 21 525
TDS Payable	2 380	1 793	1 491
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>17 49 381</u>	<u>14 54 403</u>	<u>17 99 957</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	205 38 38 710	150 36 77 048	130 91 40 437
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	1 96 39 155	4 00 73 009	4 43 29 402
Non Convertible Debentures classified as NPA	52 50 000	-	-
Less: Provision on Non performing investment	-	-	-
Total	207 87 27 865	154 37 50 057	135 34 69 839
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	1 51 63 728	-	-
Total	1 51 63 728	-	-
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	57 25 898	4 12 500	36 24 084
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	8 95 738	-	-
Less: Provision for Interest on Non-Performing Investment	(8 95 738)	-	-
Outstanding and accrued income	6 47 60 869	6 18 15 076	4 27 10 203
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	-	-
Redemption receivable on Non performing Investment	10 00 000	-	-
Less: Provision for Non Performing Investment	(2 50 000)	-	-
Total	7 12 36 767	6 22 27 576	4 63 34 287

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 MARCH 31, 2019

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 along with 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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vi. 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.
- vii. Partly paid bonds are valued at cost till it is fully paid.
- viii. 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. Non Performing Investments:

Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.

7. 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.

8. 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 31-03-19
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.

Based on the confirmation from CRA the number of units as at the year end are 90056837.0551 and the balance 30.0288 have been identified as residual units with CRA

- 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%	₹ 1,05,952	₹ 89,965

* excluding GST

** including 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%	0.005%	₹ 27,135	₹ 38,121

- 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	%
413.27	229.21	362.47	201.03	317.74	208.79	291.75	191.71

- 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 31st March, 2019 is ₹ 78.93 Crores. (Previous Period ₹ 47.86 Crores).

J. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30th Sept, 2018*	As on 28th Sept, 2018**
₹ 24.0223	₹ 22.2903	₹ 22.2803

* 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	%
13.72	7.61	0.05	0.03	6.08	3.99	6.68	4.39

L. Non-Performing Assets:

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value (₹)	79,89,175	NIL
Provision for NPA (₹)	2,50,000	NIL
Carrying Cost (₹)	77,39,175	NIL
Market Value (₹)***	-	-
% of NPA.(Gross) to AUM	0.37	NIL

*** Investment is not traded, hence market value is not ascertainable.

M. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	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: 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 Asset Management Company Limited	₹ 359.35	₹ 1.96	₹ 291.23	₹ 4.01

₹ in Crores

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

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ 6.61	₹ (6.66)

P. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

Q. 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				
AXIS BANK LTD.	1,750,000	176,236,040	8.15	8.56
ICICI BANK LTD.	1,260,000	124,549,718	5.76	6.05
HDFC BANK LTD.	690,000	67,879,647	3.14	3.30
IDFC BANK LIMITED	140,000	14,054,355	0.65	0.68
YES BANK	100,000	9,404,060	0.43	0.46
KOTAK MAHINDRA BANK LTD.	80,000	8,218,600	0.38	0.40
PUNJAB NATIONAL BANK	20,000	1,923,178	0.09	0.09
		402,265,598	18.60	19.54
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	1,610,000	163,643,709	7.56	7.95
HOUSING AND URBAN DEVELOPMENT CORPORATION	770,000	78,984,906	3.65	3.84
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	590,000	60,722,026	2.81	2.95
PNB HOUSING FINANCE LIMITED	80,000	8,019,394	0.37	0.39
		311,370,035	14.39	15.13
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	1,570,000	157,466,824	7.28	7.65
POWER FINANCE CORPORATION LTD.	1,100,000	109,204,329	5.05	5.30
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	50,000	4,756,185	0.22	0.23
CAN FIN HOMES LTD.	30,000	3,003,726	0.14	0.15
		274,431,064	12.69	13.33
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	1,810,000	182,302,110	8.43	8.85
EXPORT IMPORT BANK OF INDIA	770,000	77,108,703	3.56	3.74
		259,410,813	11.99	12.59
CONSTRUCTION AND MAINTENANCE OF MOTORWAYS, STREETS, ROADS, OTHER VEHICULAR AND PEDESTRIAN WAYS, HIGHWAYS, BRIDGES, TUNNELS AND SUBWAYS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	1,600,000	159,221,239	7.36	7.73
		159,221,239	7.36	7.73
PASSENGER RAIL TRANSPORT				
INDIAN RAILWAY FINANCE CORPORATION LTD.	1,080,000	108,852,178	5.03	5.29
		108,852,178	5.03	5.29

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME C - TIER II
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	5 61 31 569	5 22 28 953	4 61 17 250
Reserves and Surplus	2	7 29 20 925	5 93 97 397	5 26 08 924
Current Liabilities and Provisions	3	3 06 888	1 08 343	2 53 042
Total		12 93 59 382	11 17 34 693	9 89 79 216
Assets				
Investments	4	12 48 11 020	10 79 90 001	9 52 28 552
Deposits	5	96 609	-	-
Other Current Assets	6	44 51 753	37 44 692	37 50 664
Total		12 93 59 382	11 17 34 693	9 89 79 216
(a) Net assets as per Balance Sheets		12 90 52 494	11 16 26 350	9 87 26 174
(b) Number of units outstanding		56 13 157	52 22 895	46 11 725
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		-	-	-
Interest		46 16 684	41 13 461	34 47 424
Profit on sale/redemption of investments		86 373	86 583	64 449
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		40 26 457	5 998	92 694
Other income		-	-	-
- Miscellaneous Income		34	22	7
Total Income (A)		87 29 548	42 06 064	36 04 574
Expenses and Losses				
Unrealized losses in value of investments		13 910	43 42 745	22 87 063
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		6 990	6 201	5 281
NPS Trust fees		1 832	2 628	4 475
Custodian fees (including service Tax / GST)		2 205	1 929	1 593
Depository and settlement charges (including service Tax / GST)		784	742	692
CRA Fees		10 989	10 430	8 743
Less: Amount recoverable on sale of units on account of CRA Charges		(10 989)	(10 430)	(8 743)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		25 721	43 54 245	22 99 104
Surplus/(Deficit) for the year (A-B)		87 03 827	(1 48 181)	13 05 470
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(6 16 338)	9 40 538	21 94 369
Less: Amount transferred (to) / from General Reserve		(80 87 489)	(7 92 357)	(34 99 839)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	5 22 28 953	4 61 17 250	3 92 62 081
Add :Units issued during the year	1 23 32 698	1 27 51 732	1 15 58 491
Less: Units redeemed during the year	(84 30 082)	(66 40 029)	(47 03 322)
Outstanding at the end of the year	5 61 31 569	5 22 28 953	4 61 17 250
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	52 22 895	46 11 725	39 26 208
Add :Units issued during the year	12 33 270	12 75 173	11 55 849
Less: Units redeemed during the year	(8 43 008)	(6 64 003)	(4 70 332)
Outstanding units at the end of the year	56 13 157	52 22 895	46 11 725

Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	3 88 25 432	3 18 88 778	2 42 45 098
Add: Premium on Units issued	1 50 26 943	1 44 38 569	1 28 85 264
Less: Premium on Units redeemed	(1 02 07 242)	(75 01 915)	(52 41 584)
Add: Transfer from General Reserve	-	-	-
Closing Balance	4 36 45 133	3 88 25 432	3 18 88 778
General Reserve			
Opening Balance	2 05 71 965	1 97 79 608	1 62 79 769
Add: Transfer from Revenue Account	80 87 489	7 92 357	34 99 839
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	2 86 59 454	2 05 71 965	1 97 79 608
Unrealised Appreciation Reserve			
Opening Balance	-	9 40 538	31 34 907
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	6 16 338	(9 40 538)	(21 94 369)
Closing Balance	6 16 338	-	9 40 538
Total	7 29 20 925	5 93 97 397	5 26 08 924

Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	5 484	5 670	6 227
Bank Overdraft	-	-	-
Redemption Payable	3 01 247	1 02 538	2 46 698
TDS Payable	157	135	117
Contracts for Purchase of Investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	3 06 888	1 08 343	2 53 042

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	12 31 78 089	10 55 60 542	9 33 46 090
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	13 32 931	24 29 459	18 82 462
Non Convertible Debentures classified as NPA	3 00 000	-	-
Less: Provision on Non performing investment	-	-	-
Total	12 48 11 020	10 79 90 001	9 52 28 552

Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	96 609	-	-
Total	96 609	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	1 73 916	1	3 79 070
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	51 359	-	-
Less: Provision for interest on Non-Performing Investment	(51 359)	-	-
Outstanding and accrued income	42 77 837	37 44 691	33 71 594
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	44 51 753	37 44 692	37 50 664

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 MARCH 31, 2019

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 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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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. **Non Performing Investments:**

Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.

- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.

- 7. 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.

- 8. 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 31-03-19
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.

Based on the confirmation from CRA the number of units as at the year end are 5613153.6040 and the balance 3.1475 have been identified as residual units with CRA

- 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%	₹ 6,990	₹ 6,201

* excluding GST

** including 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%	0.005%	₹ 1,832	₹ 2,628

- 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:

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
30.10	253.23	28.51	239.92	28.90	275.57	27.10	258.39

₹ in Crores

- 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 31st March, 2019 is ₹ 5.76 Crores. (Previous Period ₹ 3.46 Crore).

J. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 22.9910	₹ 21.3725	₹ 21.3629

* 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	%
0.87	7.35	0.00	0.02	0.42	4.01	0.44	4.15

L. Non-Performing Assets:

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value (₹)	4,00,000	NIL
Provision for NPA (₹)	0	NIL
Carrying Cost (₹)	4,00,000	NIL
Market Value (₹)***	-	-
% of NPA (Gross) to AUM	0.31	NIL

*** Investment is not traded, hence market value is not ascertainable.

M. Other disclosures:

Particulars	Current Period	Previous Period
Contingent liabilities	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: 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 Asset Management Company Limited	₹ 28.40	₹ 0.13	₹ 27.15	₹ 0.24

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

₹ in Crores		
Particular	Current Period	Previous Period
Net Unrealized Gains / (Losses)	₹ 0.40	₹ (0.43)

P. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

Q. 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	8,005,422	6.20	6.48
AXIS BANK LTD.	70,000	7,172,655	5.56	5.81
HDFC BANK LTD.	70,000	6,886,341	5.34	5.58
KOTAK MAHINDRA BANK LTD.	10,000	1,027,325	0.80	0.83
IDFC BANK LIMITED	10,000	1,013,796	0.79	0.82
		24,105,539	18.69	19.52
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	110,000	11,187,867	8.67	9.06
HOUSING AND URBAN DEVELOPMENT CORPORATION	30,000	3,089,744	2.39	2.50
PNB HOUSING FINANCE LIMITED	30,000	3,006,536	2.33	2.43
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	10,000	1,009,385	0.78	0.82
		18,293,532	14.17	14.81
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	90,000	9,012,491	6.98	7.30
POWER FINANCE CORPORATION LTD.	80,000	7,957,090	6.17	6.44
		16,969,581	13.15	13.74
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	110,000	11,112,082	8.61	9.00
EXPORT IMPORT BANK OF INDIA	30,000	2,957,123	2.29	2.39
		14,069,205	10.90	11.39
CONSTRUCTION AND MAINTENANCE OF MOTORWAYS, STREETS, ROADS, OTHER VEHICULAR AND PEDESTRIAN WAYS, HIGHWAYS, BRIDGES, TUNNELS AND SUBWAYS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	110,000	10,973,702	8.50	8.89
		10,973,702	8.50	8.89
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	80,000	7,986,659	6.19	6.47
		7,986,659	6.19	6.47

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME G - TIER I
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
<u>Liabilities</u>				
Unit Capital	1	148 72 99 058	117 87 82 553	102 40 43 986
Reserves and Surplus	2	180 92 84 667	121 79 03 005	106 65 27 809
Current Liabilities and Provisions	3	4 18 25 230	15 67 923	23 04 910
Total		333 84 08 955	239 82 53 481	209 28 76 705
<u>Assets</u>				
Investments	4	325 48 23 838	235 96 66 709	205 82 84 518
Deposits	5	2 05 20 290	-	-
Other Current Assets	6	6 30 64 827	3 85 86 772	3 45 92 187
Total		333 84 08 955	239 82 53 481	209 28 76 705
(a) Net assets as per Balance Sheets		329 65 83 725	239 66 85 558	209 05 71 795
(b) Number of units outstanding		14 87 29 906	11 78 78 255	10 24 04 399
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		-	-	-
Interest		10 32 62 353	8 56 75 268	6 24 90 331
Profit on sale/redemption of investments		27 51 008	12 60 535	28 73 536
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		12 69 32 399	1 07 960	34 00 526
Other income		-	-	-
- Miscellaneous Income		157	720	156.1
Total Income (A)		23 29 45 917	8 70 44 483	6 87 64 549
Expenses and Losses				
Unrealized losses in value of investments		6 40 221	9 44 60 937	6 90 48 575
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		1 61 480	1 33 264	1 00 224
NPS Trust fees		41 210	56 468	84 935
Custodian fees (including service Tax / GST)		50 736	42 709	30 534
Depository and settlement charges (including service Tax / GST)		17 907	11 316	12 892
CRA Fees		11 95 200	10 35 946	11 78 441
Less: Amount recoverable on sale of units on account of CRA Charges		(11 95 200)	(10 35 946)	(11 78 441)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		9 11 554	9 47 04 694	6 92 77 160
Surplus/(Deficit) for the year (A-B)		23 20 34 363	(76 60 211)	(5 12 611)
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(81 75 679)	-	4 18 84 527
Less: Amount transferred (to) / from General Reserve		(22 38 58 684)	76 60 211	(4 13 71 916)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	117 87 82 553	102 40 43 986	75 41 49 367
Add :Units issued during the year	34 68 52 225	19 27 22 825	29 76 19 758
Less: Units redeemed during the year	(3 83 35 720)	(3 79 84 258)	(2 77 25 139)
Outstanding at the end of the year	<u>148 72 99 058</u>	<u>117 87 82 553</u>	<u>102 40 43 986</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	11 78 78 255	10 24 04 399	7 54 14 937
Add :Units issued during the year	3 46 85 223	1 92 72 282	2 97 61 976
Less: Units redeemed during the year	(38 33 572)	(37 98 426)	(27 72 514)
Outstanding units at the end of the year	<u>14 87 29 906</u>	<u>11 78 78 255</u>	<u>10 24 04 399</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	97 81 62 617	81 91 27 210	54 62 18 208
Add: Premium on Units issued	40 33 76 686	19 78 98 941	30 10 71 380
Less: Premium on Units redeemed	(4 40 29 387)	(3 88 63 534)	(2 81 62 378)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>133 75 09 916</u>	<u>97 81 62 617</u>	<u>81 91 27 210</u>
General Reserve			
Opening Balance	23 97 40 388	24 74 00 599	20 60 28 683
Add: Transfer from Revenue Account	22 38 58 684	(76 60 211)	4 13 71 916
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>46 35 99 072</u>	<u>23 97 40 388</u>	<u>24 74 00 599</u>
Unrealised Appreciation Reserve			
Opening Balance	-	-	4 18 84 527
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	81 75 679	-	(4 18 84 527)
Closing Balance	<u>81 75 679</u>	<u>-</u>	<u>-</u>
Total	<u>180 92 84 667</u>	<u>121 79 03 005</u>	<u>106 65 27 809</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 31 801	1 20 360	1 20 766
Book Overdraft	-	-	-
Redemption Payable	16 78 377	14 44 872	21 81 684
TDS Payable	3 858	2 691	2 460
Contracts for Purchase of Investments	4 00 11 194	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>4 18 25 230</u>	<u>15 67 923</u>	<u>23 04 910</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	319 17 88 628	228 65 20 176	201 40 32 360
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	6 30 35 210	7 31 46 533	4 42 52 158
Non Convertible Debentures classified as NPA	-	-	-
Less: Provision on Non performing investment	-	-	-
Total	325 48 23 838	235 96 66 709	205 82 84 518
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	2 05 20 290	-	-
Total	2 05 20 290	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	94 86 181	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	5 15 78 087	3 85 86 771	3 24 03 401
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	20 00 559	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	6 30 64 827	3 85 86 772	3 45 92 187

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vi. 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.
- vii. Partly paid bonds are valued at cost till it is fully paid.
- viii. 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 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 31-03-19
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	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.

Based on the confirmation from CRA the number of units as at the year end are 148729870.4411 and the balance 35.3004 have been identified as residual units with CRA

Total 0.0033 Units are lying in the name of "UOS Suspense PRAN" maintained by CRA. As explained by CRA this is parking account for error rectification. The possible impact, if any, shall be known after completion of identification / reconciliation process.

- 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%	₹ 1,61,480	₹ 1,33,264

* excluding GST

** including 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%	0.005%	₹ 41,210	₹ 56,468

- 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	%
620.28	225.71	541.62	197.08	429.70	190.62	390.26	173.12

- 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 31st March, 2019 is ₹ NIL. (Previous Period ₹ NIL)

J. Net Asset Value:

Current Period	Current Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 22.1649	₹ 20.3318	₹ 20.3229

* 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	%
23.29	8.48	0.09	0.03	8.70	3.86	9.47	4.20

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 Asset Management Company Limited	₹ 537.70	₹ 6.30	₹ 393.02	₹ 7.31

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

₹ in Crores

Particular	Current Period	Previous Period
Net Unrealized Gains / (Losses)	₹ 12.63	₹ (9.44)

- 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 MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	7 39 05 983	6 59 17 300	5 63 86 666
Reserves and Surplus	2	9 45 71 746	7 14 98 110	6 17 20 193
Current Liabilities and Provisions	3	13 99 563	1 16 751	4 16 375
Total		16 98 77 292	13 75 32 161	11 85 23 234
Assets				
Investments	4	16 63 74 538	13 50 60 599	11 63 56 969
Deposits	5	2 66 139		-
Other Current Assets	6	32 36 615	24 71 562	21 66 265
Total		16 98 77 292	13 75 32 161	11 85 23 234
(a) Net assets as per Balance Sheets		16 84 77 729	13 74 15 410	11 81 06 859
(b) Number of units outstanding		73 90 598	65 91 730	56 38 667
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		-	-	-
Interest		57 16 808	48 57 766	39 99 291
Profit on sale/redemption of investments		1 15 052	1 01 298	1 44 920
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		74 78 899	17 210	61 846
Other income		-	-	-
- Miscellaneous Income		-	21	10
Total Income (A)		1 33 10 759	49 76 295	42 06 067
Expenses and Losses				
Unrealized losses in value of investments		2 850	55 35 347	45 99 868
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		8 891	7 539	6 365
NPS Trust fees		2 312	3 194	5 392
Custodian fees (including service Tax / GST)		2 762	2 373	1 920
Depository and settlement charges (including service Tax / GST)		1 004	937	1 044
CRA Fees		13 900	12 901	10 348
Less: Amount recoverable on sale of units on account of CRA Charges		(13 900)	(12 901)	(10 348)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		17 819	55 49 390	46 14 589
Surplus/(Deficit) for the year (A-B)		1 32 92 940	(5 73 095)	(4 08 522)
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(9 05 118)	-	34 85 228
Less: Amount transferred (to) / from General Reserve		(1 23 87 822)	5 73 095	(30 76 706)
Amount carried forward to Balance Sheet		-	-	-

Significant Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS SCHEME G - TIER II
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	6 59 17 300	5 63 86 666	4 85 04 166
Add :Units issued during the year	1 67 14 479	1 58 19 442	1 33 77 779
Less: Units redeemed during the year	(87 25 796)	(62 88 808)	(54 95 279)
Outstanding at the end of the year	7 39 05 983	6 59 17 300	5 63 86 666
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	65 91 730	56 38 667	48 50 416
Add :Units issued during the year	16 71 448	15 81 944	13 37 779
Less: Units redeemed during the year	(8 72 580)	(6 28 881)	(5 49 528)
Outstanding units at the end of the year	73 90 598	65 91 730	56 38 667
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	5 13 04 349	4 09 53 337	3 25 32 869
Add: Premium on Units issued	2 02 31 192	1 70 94 212	1 43 22 735
Less: Premium on Units redeemed	(1 04 50 496)	(67 43 200)	(59 02 267)
Add: Transfer from General Reserve	-	-	-
Closing Balance	6 10 85 045	5 13 04 349	4 09 53 337
General Reserve			
Opening Balance	2 01 93 761	2 07 66 856	1 76 90 150
Add: Transfer from Revenue Account	1 23 87 822	(5 73 095)	30 76 706
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	3 25 81 583	2 01 93 761	2 07 66 856
Unrealised Appreciation Reserve			
Opening Balance	-	-	34 85 228
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	9 05 118	-	(34 85 228)
Closing Balance	9 05 118	-	-
Total	9 45 71 746	7 14 98 110	6 17 20 193
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	7 056	6 893	7 452
Book Overdraft	-	-	-
Redemption Payable	3 66 377	1 09 700	4 08 778
TDS Payable	202	158	145
Contracts for Purchase of Investments	10 25 928	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	13 99 563	1 16 751	4 16 375

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	-	-	-
Preference Shares	-	-	-
Debentures and Bonds Listed/Awaiting Listing	-	-	-
Central and State Government Securities (including treasury bills)	16 35 35 549	13 18 56 062	11 53 73 907
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	28 38 989	32 04 537	9 83 062
Non Convertible Debentures classified as NPA	-	-	-
Less: Provision on Non performing investment	-	-	-
Total	16 63 74 538	13 50 60 599	11 63 56 969

Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	2 66 139	-	-
Total	2 66 139	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	3 48 637	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	28 36 682	24 71 561	20 44 942
Dividend Receivable	-	-	-
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	51 296	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	32 36 615	24 71 562	21 66 265

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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:**
- 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 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 31-03-19
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	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.

Based on the confirmation from CRA the number of units as at the year end are 7390594.7605 and the balance 3.5196 have been identified as residual units with CRA

- 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%	₹ 8,891	₹ 7,539

* excluding GST

** including 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%	0.005%	₹ 2,312	₹ 3,194

- 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	%
37.21	246.10	34.82	230.24	34.61	271.36	32.20	252.45

- 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 31st March, 2019 is ₹ NIL. (Previous Period ₹ NIL)

J. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 22.7962	₹ 20.8466	₹ 20.8374

* 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	%
1.33	8.80	0.002	0.01	0.50	3.90	0.55	4.35

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 Asset Management Company Limited	₹ 34.52	₹ 0.28	₹ 32.41	₹ 0.32

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

Particular	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ 0.75	₹ (0.55)

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 MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	96 56 744	50 30 197	34 20 117
Reserves and Surplus	2	17 57 130	6 97 530	3 36 818
Current Liabilities and Provisions	3	19 511	288	481
Total		1 14 33 385	57 28 015	37 57 416
Assets				
Investments	4	1 11 44 791	57 28 015	37 57 415
Deposits	5	1 58 387	-	-
Other Current Assets	6	1 30 207	-	1
Total		1 14 33 385	57 28 015	37 57 416
(a) Net assets as per Balance Sheets		1 14 13 874	57 27 727	37 56 935
(b) Number of units outstanding		9 65 674	5 03 020	3 42 012
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		-	-	-
Interest		30	-	-
Profit on sale/redemption of investments		56 034	2 05 909	47 918
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		2 32 111	-	18 470
Other income		-	-	-
- Miscellaneous Income		8	6	7
Total Income (A)		2 88 183	2 05 915	66 395
Expenses and Losses				
Unrealized losses in value of investments		-	27 633	-
Loss on sale/redemption of investments		-	-	-
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		451	292	113
NPS Trust fees		106	124	95
Custodian fees (including service Tax / GST)		-	-	-
Depository and settlement charges (including service Tax / GST)		-	-	-
CRA Fees		6 983	5 028	2 076
Less: Amount recoverable on sale of units on account of CRA Charges		(6 983)	(5 028)	(2 076)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	-
Total Expenditure (B)		557	28 049	208
Surplus/(Deficit) for the year (A-B)		2 87 626	1 77 866	66 187
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(2 32 111)	27 633	(18 470)
Less: Amount transferred (to) / from General Reserve		(55 515)	(2 05 499)	(47 717)
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 PENSION FUND SCHEME A - TIER I
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	50 30 197	34 20 117	11 13 576
Add :Units issued during the year	49 80 158	21 77 701	24 38 186
Less: Units redeemed during the year	(3 53 611)	(5 67 621)	(1 31 645)
Outstanding at the end of the year	96 56 744	50 30 197	34 20 117

(Face Value of Rs.10/- each unit, fully paid up)

Outstanding units at the beginning of the year	5 03 020	3 42 012	1 11 357
Add :Units issued during the year	4 98 016	2 17 770	2 43 819
Less: Units redeemed during the year	(35 362)	(56 762)	(13 164)
Outstanding units at the end of the year	9 65 674	5 03 020	3 42 012

Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	4 19 250	2 36 404	35 252
Add: Premium on Units issued	8 29 712	2 51 193	2 12 606
Less: Premium on Units redeemed	(57 738)	(68 347)	(11 454)
Add: Transfer from General Reserve	-	-	-
Closing Balance	11 91 224	4 19 250	2 36 404
General Reserve			
Opening Balance	2 75 212	69 713	21 996
Add: Transfer from Revenue Account	55 515	2 05 499	47 717
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	3 30 727	2 75 212	69 713
Unrealised Appreciation Reserve			
Opening Balance	3 068	30 701	12 231
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	2 32 111	(27 633)	18 470
Closing Balance	2 35 179	3 068	30 701
Total	17 57 130	6 97 530	3 36 818

Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	262	210	127
Bank Overdraft	-	-	-
Redemption Payable	19 240	73	351
TDS Payable	9	5	3
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	19 511	288	481

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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	1 11 44 791	57 28 015	37 57 415
Non Convertible Debentures classified as NPA	-	-	-
Less: Provision on Non performing investment	-	-	-
Total	1 11 44 791	57 28 015	37 57 415

Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	1 58 387	-	-
Total	1 58 387	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	1 30 177	-	1
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	-	-	-
Less: Provision for interest on Non-Performing Investment	-	-	-
Outstanding and accrued income	30	-	-
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 30 207	-	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 MARCH 31, 2019

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 mortgage 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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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.

Based on the confirmation from CRA the number of units as at the year end are 965673.8151 and the balance 0.4599 have been identified as residual units with CRA.

- 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%	₹ 451	₹ 292

* excluding GST

** including 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%	0.005%	₹ 106	₹ 124

- G. Purchase/Sale of Investments:** During the year 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	%
1.30	168.46	0.77	99.74	1.41	285.06	1.23	248.90

- 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 31st March, 2019 is ₹ NIL. (Previous Period ₹ NIL).

I. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 11.8195	₹ 11.3866	₹ 11.3805

* 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	
₹	%	₹	%	₹	%	₹	%
2,88,183	3.75	557	0.01	2,05,915	4.16	28,049	0.57

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:

Name of Scheme	Current Period		Previous Period	
	Purchase	Outstanding	Purchase	Outstanding
UTI Asset Management Company Limited	₹ 1.28	₹ 1.11	₹ 1.41	₹ 0.57

₹ in Crores

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 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 MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
<u>Liabilities</u>				
Unit Capital	1	-	-	-
Reserves and Surplus	2	-	-	-
Current Liabilities and Provisions	3	-	27	27
Total		-	27	27
<u>Assets</u>				
Investments	4	-	-	-
Deposits	5	-	-	-
Other Current Assets	6	-	27	27
Total		-	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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
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	7			

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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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	-	-	-

Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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	-	-	-

Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	-	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

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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 March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	-	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

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.

iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.

v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.

vi. 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.

vii. Partly paid bonds are valued at cost till it is fully paid.

viii. 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 GST

** including 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%	0.005%	₹ NIL	₹ NIL

G. Purchase/Sale of Investments: During the year 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	%
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 31st March, 2019 is ₹ NIL. (Previous Period ₹ NIL)

I. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 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 Asset Management Company Limited	₹ NIL	₹ NIL	₹ NIL	₹ NIL

M. Portfolio: Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 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 MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	13267 21 80 555	12220 53 60 796	11196 17 63 154
Reserves and Surplus	2	23294 06 49 019	18884 87 77 628	17156 29 38 028
Current Liabilities and Provisions	3	5 13 27 860	3 17 10 603	4 85 11 642
Total		36566 41 57 434	31108 58 49 027	28357 32 12 824
Assets				
Investments	4	35627 64 01 227	30373 84 73 208	27689 45 43 970
Deposits	5	128 18 51 360	-	-
Other Current Assets	6	810 59 04 847	734 73 75 819	667 86 68 854
Total		36566 41 57 434	31108 58 49 027	28357 32 12 824
(a) Net assets as per Balance Sheets		36561 28 29 574	31105 41 38 424	28352 47 01 182
(b) Number of units outstanding		1326 72 18 055	1222 05 36 080	1119 61 76 315
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		19 88 87 030	34 89 95 609	15 97 81 182
Interest		1123 22 63 026	1001 41 11 791	887 58 36 112
Profit on sale/redemption of investments		42 21 99 267	34 67 18 785	88 35 89 608
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		1709 93 58 795	434 03 66 184	232 73 69 304
Other income				
- Miscellaneous Income		548	20 029	-
Total Income (A)		2895 27 08 666	1505 02 12 398	1224 65 76 206
Expenses and Losses				
Unrealized losses in value of investments		184 87 04 528	1330 39 94 372	952 92 22 684
Loss on sale/redemption of investments		6 01 389	22 23 33 107	8 97 04 268
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		2 02 95 540	1 80 12 551	1 62 55 597
NPS Trust fees		52 33 520	74 82 781	1 35 05 813
Custodian fees (including service Tax / GST)		59 59 920	54 18 021	44 47 780
Depository and settlement charges (including service Tax / GST)		12 14 393	11 00 498	9 90 837
CRA Fees		75 043	2 25 898	33 236
Less: Amount recoverable on sale of units on account of CRA Charges		(75 043)	(2 25 898)	(33 236)
Provision for Non-Performing Assets		9 50 14 479	-	-
Other Expenses		-	-	12
Total Expenditure (B)		197 70 23 769	1355 83 41 330	965 41 26 991
Surplus/(Deficit) for the year (A-B)		2697 56 84 897	149 18 71 068	259 24 49 215
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(1525 06 54 267)	896 36 28 188	720 18 53 380
Less: Amount transferred (to) / from General Reserve		(1172 50 30 630)	(1045 54 99 256)	(979 43 02 595)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	12220 53 60 796	11196 17 63 154	10264 31 06 907
Add :Units issued during the year	1087 60 70 539	1065 75 58 714	966 59 81 271
Less: Units redeemed during the year	(40 92 50 780)	(41 39 61 072)	(34 73 25 024)
Outstanding at the end of the year	13267 21 80 555	12220 53 60 796	11196 17 63 154
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	1222 05 36 080	1119 61 76 315	1026 43 10 690
Add :Units issued during the year	108 76 07 053	106 57 55 872	96 65 98 127
Less: Units redeemed during the year	(4 09 25 078)	(4 13 96 107)	(3 47 32 502)
Outstanding units at the end of the year	1326 72 18 055	1222 05 36 080	1119 61 76 315
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	10911 62 86 758	9332 23 18 226	7919 73 51 711
Add: Premium on Units issued	1779 51 19 807	1643 13 16 040	1465 14 07 014
Less: Premium on Units redeemed	(67 89 33 313)	(63 73 47 508)	(52 64 40 499)
Add: Transfer from General Reserve	-	-	-
Closing Balance	12623 24 73 252	10911 62 86 758	9332 23 18 226
General Reserve			
Opening Balance	7658 42 98 179	6612 87 98 923	5633 44 96 328
Add: Transfer from Revenue Account	1172 50 30 630	1045 54 99 256	979 43 02 595
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	8830 93 28 809	7658 42 98 179	6612 87 98 923
Unrealised Appreciation Reserve			
Opening Balance	314 81 92 691	1211 18 20 879	1931 36 74 259
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	1525 06 54 267	(896 36 28 188)	(720 18 53 380)
Closing Balance	1839 88 46 958	314 81 92 691	1211 18 20 879
Total	23294 06 49 019	18884 87 77 628	17156 29 38 028
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	1 52 49 818	1 57 70 399	1 78 68 424
Bank Overdraft	-	-	-
Redemption Payable	3 56 52 591	1 55 87 993	3 03 16 485
TDS Payable	4 25 451	3 52 211	3 26 733
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	5 13 27 860	3 17 10 603	4 85 11 642

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	5074 91 41 109	4292 56 42 618	3845 55 92 956
Preference Shares	-	1 33 30 096	1 28 14 923
Debentures and Bonds Listed/Awaiting Listing	12725 19 05 120	10303 14 23 216	9837 85 74 639
Central and State Government Securities (including treasury bills)	17724 25 33 864	15241 68 36 817	13857 37 51 519
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 03 35 613	535 12 40 461	147 38 09 933
Non Convertible Debentures classified as NPA	48 75 00 000	-	-
Less: Provision on Non performing investment	(2 50 14 479)	-	-
Total	35627 64 01 227	30373 84 73 208	27689 45 43 970
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	128 18 51 360	-	-
Total	128 18 51 360	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	10 56 93 905	74 25 000	31 79 47 955
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	9 38 75 795	-	-
Less: Provision for interest on Non-Performing Investment	(9 38 75 795)	-	-
Outstanding and accrued income	782 06 15 801	713 68 97 324	635 69 81 363
Dividend Receivable	95 95 141	1 30 53 495	37 39 536
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	5 00 00 000	19 00 00 000	-
Redemption receivable on Non performing Investment	19 00 00 000	-	-
Less: Provision for Non Performing Investment	(7 00 00 000)	-	-
Total	810 59 04 847	734 73 75 819	667 86 68 854

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vi. 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.
- vii. Partly paid bonds are valued at cost till it is fully paid.
- viii. 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. Non Performing Investments:

Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.
7. **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.
 8. **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 31-03-19
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	Impact was not ascertainable.
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.

Based on the confirmation from CRA the number of units as at the year end are 13267210629.7249 and the balance 7425.6424 have been identified as residual units with CRA

Total 5363367.5208 Units are lying in the name of "CRA Unitisation Pooled PRAN" maintained by CRA. As explained by CRA, the subscribers have not been identified for the same. Moreover total 0.0571 Units are lying in the name of "Central Govt. Suspense PRAN" & "UOS Suspense PRAN" maintained by CRA. As explained by CRA this is parking account for error rectification. The possible impact, if any, shall be known after completion of identification / reconciliation process.

- 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%	₹ 2,02,95,540	₹ 1,80,12,551

* excluding GST

** including 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%	0.005%	₹ 52,33,520	₹ 74,82,781

- 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:

Current Period				Previous Period			
Purchase	%	Sales	%	Purchase	%	Sales	%
27,521.24	81.35	23,369.24	69.07	21,622.37	72.40	17,855.62	59.79

₹ in Crores

- 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 31st March, 2019 is ₹ 5,660.90 Crores. (Previous Period ₹ 4,469.35 Crores)

J. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30th Sept, 2018*	As on 28th Sept, 2018**
₹ 27.5576	₹ 25.4533	₹ 25.4435

* 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	%
2,895.27	8.56	197.70	0.58	1,505.02	5.04	1,355.83	4.54

L. Non-Performing Assets:

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

₹ in Crores		
Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value	83.91	NIL
Provision for NPA	9.50	NIL
Carrying Cost	74.41	NIL
Market Value***	-	-
% of NPA (Gross) to AUM	0.23	NIL

*** Investment is not traded, hence market value is not ascertainable.

- M. Contingent liability as on 31st March, 2019 is ₹ 4,04,75,800 towards uncalled amount of ₹ 461 per shares on 87,800 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 4,04,75,800).
- N. Details of Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest as on 31st March, 2019 is ₹ NIL. (Previous Period ₹ NIL)
- O. The investment in Air India Bond has been reclassified as per Government Security as it satisfies the criteria of Government Security as per the Investment Guideline of PFRDA.
- P. **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 Asset Management Company Limited	₹ 22,705.77	₹ 37.01	₹ 18,042.63	₹ 535.12

- Q. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.
- R. 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.	7,860,982	3,148,323,291	0.86	6.20
HDFC BANK LTD.	1,178,198	2,732,123,342	0.75	5.38
AXIS BANK LTD.	2,455,745	1,908,727,801	0.52	3.76
STATE BANK OF INDIA	5,762,913	1,848,454,345	0.51	3.64
INDUSIND BANK LTD.	848,359	1,510,079,020	0.41	2.98
KOTAK MAHINDRA BANK LTD.	1,093,195	1,458,868,728	0.40	2.87
YES BANK	2,006,225	551,912,498	0.15	1.09
BANK OF BARODA	2,893,135	372,201,818	0.10	0.73
FEDERAL BANK LTD.	1,678,050	161,847,923	0.04	0.32
IDFC BANK LIMITED	2,386,722	132,463,071	0.04	0.26
PUNJAB NATIONAL BANK	619,890	59,199,495	0.02	0.12
		13,884,201,332	3.80	27.35
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	3,411,156	2,537,388,391	0.69	5.00
TATA CONSULTANCY SERVICES LTD.	955,034	1,911,643,806	0.52	3.77
TECH MAHINDRA LTD.	590,300	458,013,770	0.13	0.90
HCL TECHNOLOGIES LIMITED	286,741	311,816,500	0.09	0.61
WIPRO LTD.	431,481	109,941,359	0.03	0.22
		5,328,803,826	1.46	10.50
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	2,409,239	3,284,395,067	0.90	6.47
INDIAN OIL CORPORATION LTD.	1,882,968	306,641,339	0.08	0.60
CASTROL INDIA LTD.	1,356,000	225,638,400	0.06	0.44
BHARAT PETROLEUM CORPORATION LTD.	381,327	151,596,549	0.04	0.30
		3,968,271,355	1.08	7.81
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	991,217	1,950,962,860	0.53	3.84
LIC HOUSING FINANCE LTD.	1,352,787	719,953,241	0.20	1.42
		2,670,916,101	0.73	5.26
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	8,603,333	2,557,340,734	0.70	5.04
		2,557,340,734	0.70	5.04

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.	90,350,000	9,151,273,960	2.50	7.16
ICICI BANK LTD.	88,050,000	8,739,312,942	2.39	6.84
HDFC BANK LTD.	34,910,000	3,445,097,633	0.94	2.70
IDFC BANK LIMITED	13,770,000	1,391,183,015	0.38	1.09
YES BANK	6,500,000	636,523,100	0.17	0.50
KOTAK MAHINDRA BANK LTD.	4,490,000	461,268,925	0.13	0.36
PUNJAB NATIONAL BANK	1,000,000	96,158,900	0.03	0.08
ING VYSYA BANK LTD.	800,000	85,601,600	0.02	0.07
		24,006,420,075	6.56	18.80
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	110,740,000	11,123,033,729	3.04	8.71
POWER FINANCE CORPORATION LTD.	98,840,000	9,863,604,303	2.70	7.72
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	1,500,000	142,685,550	0.04	0.11
CAN FIN HOMES LTD.	400,000	40,049,680	0.01	0.03
		21,169,373,262	5.79	16.57
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	106,600,000	10,884,100,521	2.98	8.52
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	56,180,000	5,760,545,328	1.58	4.51
HOUSING AND URBAN DEVELOPMENT CORPORATION	16,000,000	1,643,100,100	0.45	1.29
PNB HOUSING FINANCE LIMITED	10,220,000	1,017,439,527	0.28	0.80
		19,305,185,476.00	5.29	15.12
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	77,870,000	7,843,092,503	2.15	6.14
EXPORT IMPORT BANK OF INDIA	27,780,000	2,751,059,358	0.75	2.15
		10,594,151,861.00	2.90	8.29
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	87,230,000	8,679,967,689	2.37	6.80
		8,679,967,689	2.37	6.80

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - STATE GOVT
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	21576 80 51 525	19091 78 83 458	17032 50 05 215
Reserves and Surplus	2	31362 18 77 553	24154 06 69 356	21378 87 12 327
Current Liabilities and Provisions	3	5 02 91 348	5 49 21 814	5 48 13 920
Total		52944 02 20 426	43251 34 74 628	38416 85 31 462
Assets				
Investments	4	51504 67 36 762	42272 57 69 093	37564 92 95 599
Deposits	5	234 25 48 986	-	-
Other Current Assets	6	1205 09 34 678	978 77 05 535	851 92 35 863
Total		52944 02 20 426	43251 34 74 628	38416 85 31 462
(a) Net assets as per Balance Sheets		52938 99 29 078	43245 85 52 814	38411 37 17 542
(b) Number of units outstanding		2157 68 05 152	1909 17 88 346	1703 25 00 521
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		26 77 05 572	47 05 06 196	19 39 97 248
Interest		1585 30 39 017	1371 06 59 637	1164 94 14 633
Profit on sale/redemption of investments		72 25 70 460	40 75 72 710	72 04 81 462
Profit on inter-scheme transfer/sale of investments		-	-	-
Unrealized gain on appreciation in investments		2431 67 54 762	567 86 76 363	311 59 65 908
Other income				
- Miscellaneous Income		181	51 444	-
Total Income (A)		4116 00 69 992	2026 74 66 350	1567 98 59 251
Expenses and Losses				
Unrealized losses in value of investments		262 02 10 775	1822 48 59 277	1233 68 67 506
Loss on sale/redemption of investments		-	19 36 41 614	4 31 35 256
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		2 86 39 662	2 46 63 992	2 14 64 406
NPS Trust fees		73 30 807	1 02 45 925	1 78 33 502
Custodian fees (including service Tax / GST)		84 50 642	73 88 660	60 33 225
Depository and settlement charges (including service Tax / GST)		17 74 417	16 03 680	13 74 999
CRA Fees		2 38 521	4 20 165	1 08 360
Less: Amount recoverable on sale of units on account of CRA Charges		(2 38 521)	(4 20 165)	(1 08 360)
Provision for Non-Performing Assets		13 70 00 000	-	-
Other Expenses		-	-	84
Total Expenditure (B)		280 34 06 303	1846 24 03 148	1242 67 08 978
Surplus/(Deficit) for the year (A-B)		3835 66 63 689	180 50 63 202	325 31 50 273
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(2169 65 43 987)	1254 61 82 914	922 09 01 598
Less: Amount transferred (to) / from General Reserve		(1666 01 19 702)	(1435 12 46 116)	(1247 40 51 871)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	19091 78 83 458	17032 50 05 215	14991 03 70 208
Add :Units issued during the year	2534 10 88 833	2120 97 91 689	2088 67 97 912
Less: Units redeemed during the year	(49 09 20 766)	(61 69 13 446)	(47 21 62 905)
Outstanding at the end of the year	<u>21576 80 51 525</u>	<u>19091 78 83 458</u>	<u>17032 50 05 215</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	1909 17 88 346	1703 25 00 521	1499 10 37 020
Add :Units issued during the year	253 41 08 883	212 09 79 169	208 86 79 791
Less: Units redeemed during the year	(4 90 92 077)	(6 16 91 344)	(4 72 16 290)
Outstanding units at the end of the year	<u>2157 68 05 152</u>	<u>1909 17 88 346</u>	<u>1703 25 00 521</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	16105 59 97 860	13510 91 04 033	10976 62 48 728
Add: Premium on Units issued	3439 27 79 649	2672 36 42 292	2592 79 59 378
Less: Premium on Units redeemed	(66 82 35 141)	(77 67 48 465)	(58 51 04 073)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>19478 05 42 368</u>	<u>16105 59 97 860</u>	<u>13510 91 04 033</u>
General Reserve			
Opening Balance	8024 76 98 746	6589 64 52 630	5342 24 00 759
Add: Transfer from Revenue Account	1666 01 19 702	1435 12 46 116	1247 40 51 871
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>9690 78 18 448</u>	<u>8024 76 98 746</u>	<u>6589 64 52 630</u>
Unrealised Appreciation Reserve			
Opening Balance	23 69 72 750	1278 31 55 664	2200 40 57 262
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	2169 65 43 987	(1254 61 82 914)	(922 09 01 598)
Closing Balance	<u>2193 35 16 737</u>	<u>23 69 72 750</u>	<u>1278 31 55 664</u>
Total	<u>31362 18 77 553</u>	<u>24154 06 69 356</u>	<u>21378 87 12 327</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	2 17 31 233	2 18 18 315	2 38 42 216
Book Overdraft	-	-	-
Redemption Payable	2 79 49 780	3 26 13 495	3 05 30 104
TDS Payable	6 10 335	4 90 004	4 41 600
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>5 02 91 348</u>	<u>5 49 21 814</u>	<u>5 48 13 920</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	7193 95 28 368	5888 97 02 361	5149 52 62 721
Preference Shares	-	1 20 25 955	1 15 61 183
Debentures and Bonds Listed/Awaiting Listing	18595 56 04 566	14132 62 23 084	13283 86 88 273
Central and State Government Securities (including treasury bills)	25453 64 69 524	21403 31 67 016	18691 93 24 423
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	191 74 34 304	846 46 50 677	438 44 58 999
Non Convertible Debentures classified as NPA	76 02 00 000	-	-
Less: Provision on Non performing investment	(6 25 00 000)	-	-
Total	51504 67 36 762	42272 57 69 093	37564 92 95 599
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	234 25 48 986	-	-
Total	234 25 48 986	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	100 09 20 757	82 50 001	39 03 22 046
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	13 57 14 133	-	-
Less: Provision for interest on Non-Performing Investment	(13 57 14 133)	-	-
Outstanding and accrued income	1076 30 01 178	961 08 39 376	812 38 81 675
Dividend Receivable	1 35 12 743	1 86 16 158	50 32 142
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	15 00 00 000	15 00 00 000	-
Redemption receivable on Non performing Investment	19 80 00 000	-	-
Less: Provision for Non Performing Investment	(7 45 00 000)	-	-
Total	1205 09 34 678	978 77 05 535	851 92 35 863

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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. **Non Performing Investments:**
- Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.
- Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.

7. **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.
8. **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 31-03-19
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	Impact was not ascertainable.
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.

Based on the confirmation from CRA the number of units as at the year end are 21576791963.4088 and the balance 13189.0399 have been identified as residual units with CRA

Total 0.6355 Units are lying in the name of "State Govt. Suspense PRAN" & "UOS Suspense PRAN" maintained by CRA. As explained by CRA this is parking account for error rectification. The possible impact, if any, shall be known after completion of identification / reconciliation process.

- 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%	₹ 2,86,39,662	₹ 2,46,63,992

* excluding GST

** including 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%	0.005%	₹ 73,30,807	₹ 1,02,45,925

- 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	%
36,941.40	77.34	29,362.97	61.47	24,545.82	60.02	18,469.70	45.16

- 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 31st March, 2019 is ₹ 8,034.99 Crores. (Previous Period ₹ 5,669.63 Crores)

J. Net Asset Value:

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 24.5351	₹ 22.6515	₹ 22.6428

* 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	%
4,116.01	8.62	280.34	0.59	2,026.75	4.96	1,846.24	4.51

L. Non-Performing Assets:

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

₹ in Crores		
Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value	121.06	NIL
Provision for NPA	13.70	NIL
Carrying Cost	107.36	NIL
Market Value***	-	-
% of NPA (Gross) to AUM	0.23	NIL

*** Investment is not traded, hence market value is not ascertainable.

M. Contingent liability as on 31st March, 2019 is ₹ 5,64,72,500 towards uncalled amount of ₹ 461 per shares on 1,22,500 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 5,64,72,500).

N. Details of Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest as on 31st March, 2019 is ₹ NIL. (Previous Period ₹ Nil)

O. The investment in Air India Bond has been reclassified as per Government Security as it satisfies the criteria of Government Security as per the Investment Guideline of PFRDA.

- P. **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 Asset Management Company Limited	₹ 28,476.06	₹ 161.17	₹ 18,689.22	₹ 846.47

- Q. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.
- R. 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.	11,253,816	4,507,153,308	0.85	6.27
HDFC BANK LTD.	1,588,239	3,682,967,417	0.70	5.12
AXIS BANK LTD.	3,892,407	3,025,373,341	0.57	4.21
STATE BANK OF INDIA	8,721,564	2,797,441,653	0.53	3.89
INDUSIND BANK LTD.	1,282,233	2,282,374,740	0.43	3.17
KOTAK MAHINDRA BANK LTD.	1,604,408	2,141,082,476	0.40	2.98
YES BANK	3,443,125	947,203,688	0.18	1.32
BANK OF BARODA	4,241,911	545,721,850	0.10	0.76
FEDERAL BANK LTD.	1,836,800	177,159,360	0.03	0.25
IDFC BANK LIMITED	3,102,982	172,215,501	0.03	0.24
PUNJAB NATIONAL BANK	388,806	37,130,973	0.01	0.05
		20,315,824,307	3.83	28.26
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	4,760,202	3,540,876,258	0.67	4.92
TATA CONSULTANCY SERVICES LTD.	1,328,498	2,659,188,022	0.50	3.70
TECH MAHINDRA LTD.	923,976	716,912,978	0.14	1.00
HCL TECHNOLOGIES LIMITED	275,823	299,943,721	0.06	0.42
WIPRO LTD.	478,892	122,021,682	0.02	0.17
		7,338,942,661	1.39	10.21
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	3,147,249	4,290,487,199	0.81	5.96
INDIAN OIL CORPORATION LTD.	2,659,200	433,050,720	0.08	0.60
CASTROL INDIA LTD.	1,696,574	282,309,914	0.05	0.39
BHARAT PETROLEUM CORPORATION LTD.	240,819	95,737,593	0.02	0.13
		5,101,585,426	0.96	7.08
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	1,449,104	2,852,198,948	0.54	3.96
LIC HOUSING FINANCE LTD.	1,871,592	996,061,262	0.19	1.38
		3,848,260,210	0.73	5.34
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	12,817,688	3,810,057,758	0.72	5.30
		3,810,057,758	0.72	5.30

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.	137,120,000	13,860,610,110	2.62	7.42
ICICI BANK LTD.	111,260,000	11,067,220,424	2.09	5.93
HDFC BANK LTD.	43,550,000	4,295,068,865	0.81	2.30
IDFC BANK LIMITED	19,960,000	2,014,565,700	0.38	1.08
KOTAK MAHINDRA BANK LTD.	9,410,000	965,557,075	0.18	0.52
YES BANK	7,700,000	741,628,620	0.14	0.40
PUNJAB NATIONAL BANK	900,000	86,543,010	0.02	0.05
ING VYSYA BANK LTD.	700,000	74,901,400	0.01	0.04
		33,106,095,204	6.25	17.74
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	167,170,000	17,065,150,506	3.22	9.14
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	97,400,000	9,963,436,722	1.88	5.34
HOUSING AND URBAN DEVELOPMENT CORPORATION	26,500,000	2,721,282,550	0.51	1.46
PNB HOUSING FINANCE LIMITED	11,220,000	1,114,813,603	0.21	0.60
		30,864,683,381	5.82	16.54
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	155,260,000	15,645,649,050	2.96	8.38
POWER FINANCE CORPORATION LTD.	142,710,000	14,216,086,079	2.69	7.61
CAN FIN HOMES LTD.	1,500,000	150,186,300	0.03	0.08
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD.	950,000	90,367,515	0.02	0.05
		30,102,288,944	5.70	16.12
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	135,690,000	13,655,108,443	2.58	7.31
EXPORT IMPORT BANK OF INDIA	48,530,000	4,865,676,964	0.92	2.61
		18,520,785,407	3.50	9.92
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	109,170,000	10,865,033,497	2.05	5.82
		10,865,033,497	2.05	5.82

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - UTI RETIREMENT SOLUTIONS LIMITED - NPS LITE SCHEME - GOVT PATTERN
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	421 67 18 154	412 91 62 545	403 58 17 866
Reserves and Surplus	2	543 01 18 624	461 31 34 819	444 26 98 954
Current Liabilities and Provisions	3	15 42 543	13 21 267	23 64 386
Total		964 83 79 321	874 36 18 631	848 08 81 206
Assets				
Investments	4	944 91 99 761	853 65 76 933	830 29 20 698
Deposits	5	1 31 38 967	-	-
Other Current Assets	6	18 60 40 593	20 70 41 698	17 79 60 508
Total		964 83 79 321	874 36 18 631	848 08 81 206
(a) Net assets as per Balance Sheets		964 68 36 778	874 22 97 364	847 85 16 820
(b) Number of units outstanding		42 16 71 815	41 29 16 255	40 35 81 787
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
Income				
Dividend		58 31 363	1 02 24 192	54 76 426
Interest		30 15 86 338	29 24 12 053	27 15 31 747
Profit on sale/redemption of investments		1 14 17 631	2 08 86 256	3 68 58 975
Profit on inter-scheme transfer/sale of investments				
Unrealized gain on appreciation in investments		45 02 64 736	12 61 25 814	7 37 92 544
Other income				
- Miscellaneous Income		13	474	-
Total Income (A)		76 91 00 081	44 96 48 789	38 76 59 692
Expenses and Losses				
Unrealized losses in value of investments		5 24 43 494	37 88 17 697	31 01 35 651
Loss on sale/redemption of investments		-	35 02 165	21 12 856
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (Including service Tax / GST)		5 49 048	5 21 804	4 96 498
NPS Trust fees		1 43 190	2 16 768	4 12 511
Custodian fees (including service Tax / GST)		1 58 359	1 56 200	1 32 093
Depository and settlement charges (including service Tax / GST)		29 439	28 457	31 218
CRA Fees		1 22 85 565	1 22 67 656	1 65 95 773
Less: Amount recoverable on sale of units on account of CRA Charges		(1 22 85 565)	(1 22 67 656)	(1 65 95 773)
Provision for Non-Performing Assets		52 50 000	-	-
Other Expenses		-	-	4
Total Expenditure (B)		5 85 73 530	38 32 43 091	31 33 20 831
Surplus/(Deficit) for the year (A-B)		71 05 26 551	6 64 05 698	7 43 38 861
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(39 78 21 242)	25 26 91 883	23 63 43 107
Less: Amount transferred (to) / from General Reserve		(31 27 05 309)	(31 90 97 581)	(31 06 81 968)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	412 91 62 545	403 58 17 866	390 20 30 646
Add :Units issued during the year	12 14 68 653	12 80 07 100	17 28 41 464
Less: Units redeemed during the year	(3 39 13 044)	(3 46 62 421)	(3 90 54 244)
Outstanding at the end of the year	<u>421 67 18 154</u>	<u>412 91 62 545</u>	<u>403 58 17 866</u>
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	41 29 16 255	40 35 81 787	39 02 03 064
Add :Units issued during the year	1 21 46 865	1 28 00 710	1 72 84 147
Less: Units redeemed during the year	(33 91 305)	(34 66 242)	(39 05 424)
Outstanding units at the end of the year	<u>42 16 71 815</u>	<u>41 29 16 255</u>	<u>40 35 81 787</u>
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	205 36 23 521	194 95 93 354	180 37 55 809
Add: Premium on Units issued	14 68 58 968	14 24 06 017	18 84 22 899
Less: Premium on Units redeemed	(4 04 01 714)	(3 83 75 850)	(4 25 85 354)
Add: Transfer from General Reserve	-	-	-
Closing Balance	<u>216 00 80 775</u>	<u>205 36 23 521</u>	<u>194 95 93 354</u>
General Reserve			
Opening Balance	232 25 11 235	200 34 13 654	169 27 31 686
Add: Transfer from Revenue Account	31 27 05 309	31 90 97 581	31 06 81 968
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	<u>263 52 16 544</u>	<u>232 25 11 235</u>	<u>200 34 13 654</u>
Unrealised Appreciation Reserve			
Opening Balance	23 70 00 063	48 96 91 946	72 60 35 053
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	39 78 21 242	(25 26 91 883)	(23 63 43 107)
Closing Balance	<u>63 48 21 305</u>	<u>23 70 00 063</u>	<u>48 96 91 946</u>
Total	<u>543 01 18 624</u>	<u>461 31 34 819</u>	<u>444 26 98 954</u>
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	4 05 628	4 46 034	5 41 494
Book Overdraft	-	-	-
Redemption Payable	11 25 772	8 65 362	18 13 254
TDS Payable	11 143	9 871	9 638
Contracts for purchase of investments	-	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	<u>15 42 543</u>	<u>13 21 267</u>	<u>23 64 386</u>

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	135 90 28 634	120 42 56 555	114 51 56 955
Preference Shares	-	7 49 257	7 20 300
Debentures and Bonds Listed/Awaiting Listing	326 98 81 067	290 42 95 466	288 50 67 607
Central and State Government Securities (including treasury bills)	469 36 84 792	429 13 97 484	409 59 55 328
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	9 73 55 268	13 58 78 171	17 60 20 508
Non Convertible Debentures classified as NPA	2 92 50 000	-	-
Less: Provision on Non performing investment	-	-	-
Total	944 91 99 761	853 65 76 933	830 29 20 698
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	1 31 38 967	-	-
Total	1 31 38 967	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	34 04 039	-	1 04 39 177
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	54 34 527	-	-
Less: Provision for Interest on Non-Performing Investment	(54 34 527)	-	-
Outstanding and accrued income	17 65 74 287	19 65 98 420	16 72 96 918
Dividend Receivable	3 12 267	4 43 278	2 24 413
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	-	1 00 00 000	-
Redemption receivable on Non performing Investment	1 10 00 000	-	-
Less: Provision for Non Performing Investment	(52 50 000)	-	-
Total	18 60 40 593	20 70 41 698	17 79 60 508

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
- iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
- v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
- vi. 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.
- vii. Partly paid bonds are valued at cost till it is fully paid.
- viii. 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. Non Performing Investments:

Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.
7. **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.
 8. **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 31-03-19
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	Impact was not ascertainable.
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.

Based on the confirmation from CRA the number of units as at the year end are 421670049.2934 and the balance 1766.0939 have been identified as residual units with CRA.

- 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%	₹ 5,49,048	₹ 5,21,804

* excluding GST

** including 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%	0.005%	₹ 1,43,190	₹ 2,16,768

- 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	%
1,560.52	170.56	1,497.26	163.64	1,451.86	167.88	1,398.45	161.71

- 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 31st March, 2019 is ₹ 175.43 Crores. (Previous Period ₹ 133.35 Crores)

- J. Net Asset Value:**

Current Period	Previous Period	
As on 31st March, 2019	As on 30th Sept, 2018*	As on 28th Sept, 2018**
₹ 22.8775	₹ 21.1720	₹ 21.1638

* 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	%
76.91	8.41	5.86	0.64	44.96	5.20	38.32	4.43

- L. **Non-Performing Assets:**

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

Particular	₹ in Crores	
	As on 31st March, 2019	As on 30th Sept, 2018
Book Value	4.99	NIL
Provision for NPA	0.53	NIL
Carrying Cost	4.46	NIL
Market Value***	-	-
% of NPA (Gross) to AUM	0.52	NIL

*** Investment is not traded, hence market value is not ascertainable.

- M. Contingent liability as on 31st March, 2019 is ₹ 10,14,200 towards uncalled amount of ₹ 461 per shares on 2,200 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 10,14,200).
- N. Details of Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest as on 31st March, 2019 is ₹ NIL. (Previous Period ₹ Nil)
- O. The investment in Air India Bond has been reclassified as per Government Security as it satisfies the criteria of Government Security as per the Investment Guideline of PFRDA.
- P. **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 Asset Management Company Limited	₹ 1,484.53	₹ 9.74	₹ 1,390.28	₹ 13.59

Q. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

R. 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	92,696,526	0.96	6.82
HDFC BANK LTD.	34,854	80,822,941	0.84	5.95
AXIS BANK LTD.	67,005	52,079,636	0.54	3.83
STATE BANK OF INDIA	143,180	45,924,985	0.48	3.38
KOTAK MAHINDRA BANK LTD.	28,328	37,803,716	0.39	2.78
INDUSIND BANK LTD.	18,470	32,876,600	0.34	2.42
YES BANK	61,750	16,987,425	0.18	1.25
BANK OF BARODA	78,155	10,054,641	0.10	0.74
IDFC BANK LIMITED	81,204	4,506,822	0.05	0.33
FEDERAL BANK LTD.	45,000	4,340,250	0.04	0.32
PUNJAB NATIONAL BANK	20,125	1,921,938	0.02	0.14
		380,015,480	3.94	27.96
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	98,582	73,330,221	0.76	5.40
TATA CONSULTANCY SERVICES LTD.	30,174	60,397,787	0.63	4.44
TECH MAHINDRA LTD.	21,640	16,790,476	0.17	1.24
		150,518,484	1.56	11.08
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	77,042	105,027,507	1.09	7.73
INDIAN OIL CORPORATION LTD.	44,000	7,165,400	0.07	0.53
		112,192,907	1.16	8.26
MANUFACTURE OF CIGARETTES, CIGARETTE TOBACCO				
ITC LIMITED	265,309	78,863,100	0.82	5.80
		78,863,100	0.82	5.80
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	26,736	52,623,132	0.55	3.87
LIC HOUSING FINANCE LTD.	41,800	22,245,960	0.23	1.64
		74,869,092	0.78	5.51

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	2,560,000	258,175,792	2.68	7.83
POWER FINANCE CORPORATION LTD.	2,200,000	221,961,016	2.30	6.73
		480,136,808	4.98	14.56
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	2,710,000	277,769,058	2.88	8.42
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	1,360,000	140,680,475	1.46	4.26
PNB HOUSING FINANCE LIMITED	320,000	31,805,173	0.33	0.96
		450,254,706	4.67	13.64
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	2,410,000	243,012,354	2.52	7.37
EXPORT IMPORT BANK OF INDIA	1,970,000	201,162,214	2.09	6.10
		444,174,568	4.61	13.47
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	3,230,000	323,946,879	3.36	9.82
		323,946,879	3.36	9.82
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
ICICI BANK LTD.	1,120,000	114,198,512	1.18	3.46
AXIS BANK LTD.	770,000	78,840,780	0.82	2.39
IDFC BANK LIMITED	760,000	76,740,113	0.80	2.33
HDFC BANK LTD.	330,000	32,464,179	0.34	0.98
PUNJAB NATIONAL BANK	80,000	7,692,712	0.08	0.23
		309,936,296	3.22	9.39
PASSENGER RAIL TRANSPORT				
INDIAN RAILWAY FINANCE CORPORATION LTD.	1,900,000	187,795,300	1.95	5.69
		187,795,300	1.95	5.69
ELECTRIC POWER GENERATION AND TRANSMISSION BY NUCLEAR POWER PLANTS				
NUCLEAR POWER CORPORATION OF INDIA LIMITED	1,670,000	171,310,007	1.78	5.19
		171,310,007	1.78	5.19

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CORPORATE CG
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended March 31, 2018 ₹
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 MARCH 31, 2019

Schedule 1	No.	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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		-	-	-
Schedule 2				
		As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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		-	-	-
Schedule 3				
		As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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	-	-	-
AIIF'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 March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	-	-	-
Total	-	-	-

Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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 GST

** including GST

- E. 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%	0.005%	₹ NIL	₹ NIL

- F. 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

- G.** 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 31st March, 2018 is ₹ NIL. (Previous Period ₹ NIL)

H. Net Asset Value:

Current Period	Current Period	
As on 31st March, 2019	As on 30th Sept, 2018*	As on 28th Sept, 2018**
₹ 10.0000	₹ 10.0000	₹ 10.0000

* NAV not declared, being a non - business day

** On last business day

- I. 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

J. 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)

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

NATIONAL PENSION SYSTEM TRUST
NPS TRUST - A/C UTI RETIREMENT SOLUTIONS LIMITED SCHEME – ATAL PENSION YOJANA
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedules	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Liabilities				
Unit Capital	1	1608 89 38 457	1272 73 87 129	975 70 46 517
Reserves and Surplus	2	655 56 13 407	379 88 74 938	284 22 68 397
Current Liabilities and Provisions	3	1 85 14 709	65 46 177	63 76 423
Total		2266 30 66 573	1653 28 08 244	1260 56 91 337
Assets				
Investments	4	2219 34 94 145	1618 71 35 725	1236 19 62 723
Deposits	5	3 60 05 929	-	-
Other Current Assets	6	43 35 66 499	34 56 72 519	24 37 28 614
Total		2266 30 66 573	1653 28 08 244	1260 56 91 337
(a) Net assets as per Balance Sheets		2264 45 51 864	1652 62 62 067	1259 93 14 914
(b) Number of units outstanding		160 88 93 846	127 27 38 713	97 57 04 652
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 MARCH 31, 2019

Particulars	Schedules	Half Year ended March 31, 2019 ₹	Half Year ended Sept 30, 2018 ₹	Half Year ended Sept 30, 2018 ₹
Income				
Dividend		1 03 76 161	1 77 65 675	53 89 226
Interest		62 88 36 706	47 30 08 031	34 39 01 426
Profit on sale/redemption of investments		2 00 07 943	2 48 12 211	88 88 932
Profit on inter-scheme transfer/sale of investments				
Unrealized gain on appreciation in investments		101 81 33 838	21 40 87 082	10 32 37 286
Other income				
- Miscellaneous Income		905	1 343	
Total Income (A)		167 73 55 553	72 96 74 342	46 14 16 870
Expenses and Losses				
Unrealized losses in value of investments		9 08 98 899	64 63 70 410	37 47 09 502
Loss on sale/redemption of investments		-	60 23 517	12 99 203
Loss on inter-scheme transfer/sale of investments		-	-	-
Management fees (including service Tax / GST)		11 69 293	8 80 701	6 51 925
NPS Trust fees		2 93 431	3 65 861	5 41 646
Custodian fees (including service Tax / GST)		3 53 059	2 67 475	1 91 668
Depository and settlement charges (including service Tax / GST)		91 064	71 497	58 807
CRA Fees		6 72 78 578	6 01 74 955	4 37 23 016
Less: Amount recoverable on sale of units on account of CRA Charges		(6 72 78 578)	(6 01 74 955)	(4 37 23 016)
Provision for Non-Performing Assets		-	-	-
Other Expenses		-	-	1
Total Expenditure (B)		9 28 05 746	65 39 79 461	37 74 52 752
Surplus/(Deficit) for the year (A-B)		158 45 49 807	7 56 94 881	8 39 64 118
Less: Amount transferred (to) / from Unrealised Appreciation Reserve		(48 81 70 046)	-	26 46 90 651
Less: Amount transferred (to) / from General Reserve		(109 63 79 761)	(7 56 94 881)	(34 86 54 769)
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 MARCH 31, 2019

Schedule 1	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Unit Capital			
Outstanding at the beginning of the year	1272 73 87 129	975 70 46 517	720 69 92 065
Add :Units issued during the year	363 66 20 863	317 72 08 614	263 94 39 931
Less: Units redeemed during the year	(27 50 69 535)	(20 68 68 002)	(8 93 85 479)
Outstanding at the end of the year	1608 89 38 457	1272 73 87 129	975 70 46 517
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year	127 27 38 713	97 57 04 652	72 06 99 206
Add :Units issued during the year	36 36 62 087	31 77 20 861	26 39 43 994
Less: Units redeemed during the year	(2 75 06 954)	(2 06 86 800)	(89 38 548)
Outstanding units at the end of the year	160 88 93 846	127 27 38 713	97 57 04 652
Schedule 2	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance	281 16 69 743	193 07 58 083	120 97 58 975
Add: Premium on Units issued	126 79 80 112	94 24 41 357	74 64 84 923
Less: Premium on Units redeemed	(9 57 91 450)	(6 15 29 697)	(2 54 85 815)
Add: Transfer from General Reserve	-	-	-
Closing Balance	398 38 58 405	281 16 69 743	193 07 58 083
General Reserve			
Opening Balance	98 72 05 195	91 15 10 314	56 28 55 545
Add: Transfer from Revenue Account	109 63 79 761	7 56 94 881	34 86 54 769
Less: Transfer to Unit Premium Reserve	-	-	-
Closing Balance	208 35 84 956	98 72 05 195	91 15 10 314
Unrealised Appreciation Reserve			
Opening Balance	-	-	26 46 90 651
Add: Adjustment for Previous years unrealised appreciation reserve	-	-	-
Add/(Less): Transfer from/(to) Revenue Account	48 81 70 046	-	(26 46 90 651)
Closing Balance	48 81 70 046	-	-
Total	655 56 13 407	379 88 74 938	284 22 68 397
Schedule 3	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses	9 13 846	8 14 580	7 61 538
Book Overdraft	-	-	-
Redemption Payable	73 15 318	57 12 798	56 00 402
TDS Payable	26 264	18 799	14 483
Contracts for purchase of investments	1 02 59 281	-	-
Amount Payable to Other Schemes	-	-	-
Provision for Interest overdue	-	-	-
Provision on upgraded assets	-	-	-
Interest received in Advance	-	-	-
Total	1 85 14 709	65 46 177	63 76 423

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 MARCH 31, 2019

Schedule 4	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Investments (Long Term and Short Term)			
Equity Shares	311 23 69 684	226 23 21 163	172 26 08 017
Preference Shares	-	4 554	4 378
Debentures and Bonds Listed/Awaiting Listing	788 50 21 784	540 10 92 816	421 65 24 143
Central and State Government Securities (including treasury bills)	1096 82 03 178	803 56 87 834	613 07 94 960
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	19 78 99 499	48 80 29 358	29 20 31 225
Non Convertible Debentures classified as NPA	3 00 00 000	-	-
Less: Provision on Non performing investment	-	-	-
Total	2219 34 94 145	1618 71 35 725	1236 19 62 723
<hr/>			
Schedule 5	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Deposits			
Deposits with Scheduled Banks	3 60 05 929	-	-
Total	3 60 05 929	-	-
<hr/>			
Schedule 6	As at March 31, 2019 ₹	As at Sept 30, 2018 ₹	As at March 31, 2018 ₹
Other Current Assets			
Balances with bank in a current account	2 53 76 592	4 12 500	32 21 459
Contracts for sale of investments	-	-	-
Interest Receivable on Non-Performing Investments	43 13 151	-	-
Less: Provision for interest on Non-Performing Investment	(43 13 151)	-	-
Outstanding and accrued income	40 73 58 752	34 45 12 873	24 04 36 501
Dividend Receivable	3 18 191	7 47 146	70 654
Brokerage receivable from PFM	-	-	-
Application money pending allotment	-	-	-
Sundry Debtors	5 12 964	-	-
Redemption receivable on Non performing Investment	-	-	-
Less: Provision for Non Performing Investment	-	-	-
Total	43 35 66 499	34 56 72 519	24 37 28 614

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 MARCH 31, 2019

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. Securities purchased by way of private placement are valued at cost till the date of creation of ISIN.
 - iv. Only Callable Bonds (single/multiple call options), which are callable by the issuer, are valued at lowest value on each call option date.
 - v. Only Puttable Bonds (single/multiple put options), which are puttable by the investor, are valued at highest value on each put option date.
 - vi. 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.
 - vii. Partly paid bonds are valued at cost till it is fully paid.
 - viii. 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. **Non Performing Investments:**

Investments are classified as non-performing based on PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013. An investment is regarded as non-performing if interest / principal or both amounts have not been received or remained outstanding for one quarter from the day such income / instrument has fallen due.

Provisions are made for Non-performing investments as per the extant guidelines prescribed by PFRDA as shown below:

Period past due from the date of classification of assets as NPA	% Provision On Book Value
3 Months	50%
6 Months	75%
9 Months	100%

On classification of the instrument as NPA no further interest is accrued on the investment and a provision for all interest accrued is made.

Re-schedulement of NPA:

In case any issuer of debt security defaults in the payment of interest and installment of principal, if any, and the pension fund has accepted re-schedulement of NPA, it may be re-classified as 'performing asset' if the next two coupons/ installments of principal, if applicable, is regularly serviced as re-scheduled.

Written-back of provisioning of interest: Upon reclassification of assets as 'performing asset'

- i) In case an issuer has fully cleared all the arrears of interest, the interest provisions can be written back in full.

Written-back of provisioning of principal: The provision made for the principal can be written back in the following manner:-

- i) 100% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter, where the provision of principal was made due to the interest defaults only.
- ii) 50% of the asset provided for in the books will be written back at the end of the 2nd calendar quarter and 25% after every subsequent quarter, where both principal and interest were in default earlier.

6. 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.

7. 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.

8. 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 31-03-19
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	Impact was not ascertainable.
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.

Based on the confirmation from CRA the number of units as at the year end are 1608883618.6133 and the balance 10226.9257 have been identified as residual units with CRA.

Total 7.3241 Units are lying in the name of "UOS Suspense PRAN" maintained by CRA. As explained by CRA this is parking account for error rectification. The possible impact, if any, shall be known after completion of identification / reconciliation process.

- 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%	₹ 11,69,293	₹ 8,80,701

* excluding GST

** including 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%	0.005%	₹ 2,93,431	₹ 3,65,861

- 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	%
6,165.78	316.06	5,655.07	289.88	4,078.74	279.07	3,654.87	250.07

- 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 31st March, 2019 is ₹ 288.31 Crores. (Previous Period ₹ 170.56 Crores)

- J. Net Asset Value:.**

Current Period	Previous Period	
As on 31st March, 2019	As on 30 th Sept, 2018*	As on 28 th Sept, 2018**
₹ 14.0746	₹ 12.9848	₹ 12.9799

* 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	%
167.74	8.60	9.28	0.48	72.97	4.99	65.40	4.47

L. **Non-Performing Assets:**

As per PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013, a debt security ('asset') are classified as 'Non-Performing Asset' (NPA) if the interest and/or installment of principal have not been received or remained outstanding for one quarter, from the day such income and/or installment principal was due. The provision for NPA made upto 31st March, 2019 is as under:

₹ in Crores		
Particular	As on 31st March, 2019	As on 30th Sept, 2018
Book Value	3.99	NIL
Provision for NPA	0.00	NIL
Carrying Cost	3.99	NIL
Market Value***	-	-
% of NPA (Gross) to AUM	0.18	NIL

*** Investment is not traded, hence market value is not ascertainable.

- M. Contingent liability as on 31st March, 2019 is ₹ 16,13,500 towards uncalled amount of ₹ 461 per shares on 3,500 Partly Paid shares of Tata Steel Limited. (Previous Period ₹ 16,13,500).
- N. Details of Brokerage, custodial fees and other charges to entities where PFM or its subsidiaries or its major shareholders have substantial interest as on 31st March, 2019 is ₹ NIL. (Previous Period ₹ Nil)
- O. **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 Asset Management Company Limited	₹ 5,595.07	₹ 19.79	₹ 3,667.92	₹ 48.80

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

Particular	₹ in Crores	
	Current Period	Previous Period
Net Unrealized Gains/(Losses)	₹ 92.72	₹ (43.23)

Q. **Portfolio:** Industry wise classification where industry exposure % to total exposure in investment category $\geq 5\%$ as on 31st March, 2019 is given in Annexure A.

R. 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.	423,998	169,811,199	0.75	5.46
HDFC BANK LTD.	69,949	162,204,736	0.72	5.21
INDUSIND BANK LTD.	77,311	137,613,580	0.61	4.42
STATE BANK OF INDIA	373,523	119,807,502	0.53	3.85
AXIS BANK LTD.	129,850	100,925,913	0.45	3.24
KOTAK MAHINDRA BANK LTD.	73,541	98,140,465	0.43	3.15
YES BANK	173,570	47,749,107	0.21	1.53
BANK OF BARODA	150,182	19,320,914	0.09	0.62
IDFC BANK LIMITED	14,780	820,290	0.00	0.03
PUNJAB NATIONAL BANK	144	13,752	0.00	0.00
		856,407,458	3.79	27.51
WRITING , MODIFYING, TESTING OF COMPUTER PROGRAM TO MEET THE NEEDS OF A PARTICULAR CLIENT EXCLUDING WEB-PAGE DESIGNING				
INFOSYS LTD.	209,760	156,029,976	0.69	5.01
TATA CONSULTANCY SERVICES LTD.	60,732	121,564,208	0.54	3.91
TECH MAHINDRA LTD.	80,027	62,092,949	0.27	2.00
HCL TECHNOLOGIES LIMITED	76	82,646	0.00	0.00
		339,769,779	1.50	10.92
PRODUCTION OF LIQUID AND GASEOUS FUELS, ILLUMINATING OILS, LUBRICATING OILS OR GREASES OR OTHER PRODUCTS FROM CRUDE PETROLEUM OR BITUMINOUS MINERALS				
RELIANCE INDUSTRIES LTD.	144,152	196,515,214	0.87	6.31
INDIAN OIL CORPORATION LTD.	145,600	23,710,960	0.10	0.76
CASTROL INDIA LTD.	62,400	10,383,360	0.05	0.33
HINDUSTAN PETROLEUM CORPORATION LTD.	7,500	2,128,875	0.01	0.07
		232,738,409	1.03	7.47
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	64,019	126,005,397	0.56	4.05
LIC HOUSING FINANCE LTD.	123,700	65,833,140	0.29	2.12
		191,838,537	0.85	6.17
MANUFACTURE OF ALLOPATHIC PHARMACEUTICAL PREPARATIONS				
LUPIN LTD.	54,679	40,440,588	0.18	1.30
SUN PHARMACEUTICAL INDUSTRIES LTD.	65,585	31,405,377	0.14	1.01
DIVIS LABORATORIES LTD.	17,949	30,568,942	0.13	0.98
CADILA HEALTHCARE LTD.	87,500	30,366,875	0.13	0.98
CIPLA LTD.	31,638	16,733,338	0.07	0.54
DR. REDDYS LABORATORIES LTD.	4,874	13,550,939	0.06	0.44
		163,066,059	0.71	5.25

Industry and Company Particulars	Quantity	Market Value (₹)	% to Net Asset	% to investment category
DEBENTURES & BONDS				
ACTIVITIES OF SPECIALIZED INSTITUTIONS GRANTING CREDIT FOR HOUSE PURCHASES THAT ALSO TAKE DEPOSITS				
LIC HOUSING FINANCE LTD.	7,090,000	722,787,973	3.19	9.13
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	3,450,000	353,263,116	1.56	4.46
HOUSING AND URBAN DEVELOPMENT CORPORATION	1,700,000	174,381,450	0.77	2.20
PNB HOUSING FINANCE LIMITED	630,000	62,900,217	0.28	0.79
		1,313,332,756	5.80	16.58
OTHER CREDIT GRANTING				
RURAL ELECTRIFICATION CORPORATION LIMITED	6,200,000	616,106,413	2.72	7.78
POWER FINANCE CORPORATION LTD.	5,770,000	576,457,853	2.55	7.28
CAN FIN HOMES LTD.	70,000	7,008,694	0.03	0.09
		1,199,572,960	5.30	15.15
MONETARY INTERMEDIATION OF COMMERCIAL BANKS, SAVING BANKS, POSTAL SAVINGS BANK AND DISCOUNT HOUSES				
AXIS BANK LTD.	7,290,000	735,421,855	3.25	9.29
ICICI BANK LTD.	1,920,000	189,086,373	0.84	2.39
HDFC BANK LTD.	1,430,000	140,678,109	0.62	1.78
IDFC BANK LIMITED	370,000	37,230,060	0.16	0.47
YES BANK	200,000	18,808,120	0.08	0.24
KOTAK MAHINDRA BANK LTD.	10,000	1,027,325	0.00	0.01
		1,122,251,842	4.95	14.18
OTHER MONETARY INTERMEDIATION SERVICES N.E.C.				
NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT	7,350,000	736,666,272	3.25	9.31
EXPORT IMPORT BANK OF INDIA	1,980,000	197,079,646	0.87	2.49
		933,745,918	4.12	11.80
PASSENGER RAIL TRANSPORT				
INDIAN RAILWAY FINANCE CORPORATION LTD.	6,320,000	631,320,999	2.79	7.98
		631,320,999	2.79	7.98
CONSTRUCTION AND MAINTENANCE OF MOTORWAYS, STREETS, ROADS, OTHER VEHICULAR AND PEDESTRIAN WAYS, HIGHWAYS, BRIDGES, TUNNELS AND SUBWAYS				
NATIONAL HIGHWAYS AUTHORITY OF INDIA	5,500,000	550,567,940	2.43	6.96
		550,567,940	2.43	6.96
TRANSMISSION OF ELECTRIC ENERGY				
POWER GRID CORPORATION OF INDIA LTD.	4,000,000	398,892,238	1.76	5.04
		398,892,238	1.76	5.04

