

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

UN-AUDITED BALANCE SHEET AS AT MARCH 31, 2015

(In ₹)

Particulars	Schedule	As at March 31, 2015	As at March 31, 2014
		Amount	Amount
Sources of funds			
Unitholders Funds			
Unit Capital	1	4,068,912	455,258
Reserves & Surplus	2	1,322,675	36,655
Current Liabilities and Provisions	3	84,318	11,478
Borrowings			
Total		5,475,905	503,391
Application of funds			
Investments (Long term and short term)	4	5,369,660	500,812
Deposits	5	-	-
Other Current Assets	6	106,245	2,579
Total		5,475,905	503,391
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		5,391,587	491,913
(b) Number of units outstanding		406,891.11	45,525.80
(c) NAV per unit (a)/(b) (₹) (Refer Schedule 7 Note 1.9)		13.2506	10.8051
Significant accounting policies and notes to accounts	7		

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

For and on behalf of Board of Directors of HDFC Pension Management Company Limited

Amitabh Chaudhry
(Director)

Vibha Padalkar
(Director)

Sumit Shukla
(Chief Executive Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai
Date : April 16, 2015

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED MARCH 31, 2015

(In ₹)

Particulars	Schedule	For the half year ended March 31, 2015	For the half year ended March 31, 2014
		Amount	Amount
Income & Gain			
Interest income		6	-
Dividend income		10,331	149
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)		17,689	6,884
Unrealised gain on appreciation in investments		90,107	8,436
Total Income & Gain (A)		118,133	15,469
Expenses & Losses			
Unrealised losses in value of investments		420	49
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)		4,040	-
Management fees		166	238
Custodian fees		105	3
CRA fees		1,821	74
Less : Amount recovered on sale of units on account of CRA Charges		(1,821)	(74)
Total Expenses & Losses (B)		4,731	290
Net income/(expenditure) for the period (A-B = C)		113,402	15,179
Balance at the beginning of the period		25,153	321
Net Unrealised appreciation in value of Investment transferred from/ (to) Unrealised Appreciation Reserve		(89,687)	(8,477)
Balance at the end of the period carried to Balance Sheet		48,868	7,023
Total income (including net unrealised gain/loss) expressed as a percentage of average net assets, calculated on a daily basis.		3.82%	9.08%
Total expenditure expressed as a percentage of average net assets, calculated on a daily basis.		0.01%	0.14%
Significant accounting policies and notes to accounts	7		

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

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NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

Schedules forming part of the un-audited half yearly financial statements

Schedule 1: Unit capital

(In ₹)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Units	Amount	Units	Amount
Initial capital				
Unit capital				
Opening balance	149,233	1,492,333	2,239	22,391
Additions during the period	279,241	2,792,412	43,538	435,378
Deduction during the period	(21,583)	(215,833)	(251)	(2,511)
Closing balance	406,891	4,068,912	45,526	455,258

Schedule 2: Reserves and surplus

(In ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Unit premium reserve		
Opening balance	201,352	49
Additions during the period	926,297	21,244
Deduction during the period	(71,690)	(138)
Closing balance	1,055,959	21,155
Unrealised Appreciation Reserve		
Opening balance	128,161	-
Change in net unrealised appreciation in value of investments	89,687	8,477
Closing balance	217,848	8,477
Surplus/(deficit) in Revenue account		
Opening balance	25,153	321
Additions during the period	23,715	6,702
Deduction during the period	-	-
Closing balance	48,868	7,023
General reserve*	-	-
Appropriation account*	-	-
Total	1,322,675	36,655

* The balances have been nil throughout the period

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Current liabilities		
Sundry creditors	174	250
Contracts for purchase of investments	82,431	10,807
Unit redemption payable	1,713	421
Provisions	-	-
Total	84,318	11,478

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

Schedules forming part of the un-audited half yearly financial statements

Schedule 4: Investments

(In ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Equity shares	5,150,764	456,265
Debentures and bonds	3,896	-
Others - Mutual funds	215,000	44,547
Total	5,369,660	500,812

Schedule 5: Deposits

(In ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Deposits with scheduled banks	-	-
Others	-	-
Total	-	-

Schedule 6: Other current assets

(In ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Balances with banks in current / saving account	1,519	142
Sundry debtors	82,431	6
Contracts for sale of investments	21,915	2,282
Outstanding and accrued income	6	-
Others - Dividend receivable	374	149
Total	106,245	2,579

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

Schedule 7

Significant accounting policies & notes to accounts for the year ended March 31, 2015

1.1 Background

HDFC Pension Management Company Limited ('the Company') has been appointed as a Pension Fund Manager ('PFM') by the Pension Fund Regulatory and Development Authority ("PFRDA") for the management of Pension Schemes under the National Pension System ('NPS'). Accordingly, the Company has entered into an Investment Management Agreement ('IMA') with NPS Trust. The Pension Fund Regulatory and Development Authority ("PFRDA" / "Authority") guidelines require each PFM to manage subscribers' funds. As per unbundled architecture of the NPS, the main responsibility of PFM is to manage funds in accordance with the laid down guidelines and declare NAV. As per the architecture, the NSDL e-Governance Infrastructure Ltd., being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL) and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS

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

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

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

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. As stated above, the amount of funds received from the subscribers is intimated by the Trustee Bank on consolidated basis on T+2 basis. PFM records the same on receipt basis. Accordingly, funds with Trustee Bank at the yearend do not get reflected in the financial statements.

1.2 Basis of preparation

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards notified under the Companies Act, 1956 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines – 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis, except as otherwise stated.

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

The Company manages six separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C and G based on the asset class prescribed under the NPS as follows:

Scheme E - Equity market instruments

Scheme C - Credit risk bearing fixed income instruments

Scheme G - Government securities

1.3 Investments

Transactions for purchase and sale of securities are accounted on trade date.

The holding cost of investments is determined by the weighted average cost method and the cost does not include brokerage and other transaction charges.

The cost of investments acquired or purchased includes applicable taxes and stamp charges but exclude brokerage and other transactional charges.

Investments are reconciled with the custodian records on daily basis.

Valuation of Investments

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by Stock Holding Corporation of India Limited (SHCIL) effective April 1, 2011. The Investment valuation methodology adopted by SHCIL is as follows:

The following valuation norms are as prescribed by PFRDA (Preparation of Financial Statements and Auditor's Report of schemes under National Pension System) Guidelines - 2012.

Securities traded at a stock exchange:

The securities are valued at the daily close price on the stock exchange.

Listed equity shares are valued at market value, being the last quoted closing price on the National stock exchange (NSE). If they are not quoted on NSE, then the last quoted closing price on the Bombay stock exchange (BSE) is taken.

Non traded rights are valued at the difference of closing market price of the original equity share for the day and the offer price. Traded rights are valued at the closing market price of the rights renunciation till the time of application. In the event of application of rights, the rights entitlement would be valued at the closing market price of the original equity share till the date of allotment/listing.

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

Securities not traded at a stock exchange:

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

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

1.4 Income Recognition

Dividend Income is recognised on the "Ex-Dividend" date in case of listed equity shares.

Bonus entitled shares are recognised only when the original shares on which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis. Rights entitlements are recognized only when the original shares on which the right entitlement accrues are traded on the stock exchange on an ex-rights basis.

Profit or loss on sale of equity is the difference between the sale consideration net of expenses and the weighted average book cost as on the date of sale.

Profit or loss on sale of mutual fund units is the difference between the sale consideration net of expenses and the weighted average book cost.

Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.

1.5 Units reconciliation

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

1.6 Investment management fees

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

The Company has charged investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from August 01, 2014, in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/6/PFM/9/2 dated July 31, 2014.

The investment management fees charged until July 31, 2014 was 0.25% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), in terms of the Pension Fund Regulatory and Development Authority's circular no. PFRDA/CIR/1/PFM/1.

1.7 Other Expenses

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

1.8 Unit Premium Reserve

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

1.9. NAV

NAV disclosed in the Balance Sheet for the previous year is as of March 31, 2014 however, for the FY 2013-14, the last business day was March 28, 2014 and hence, the last declared NAV was as of March 28, 2014.

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

Notes to accounts (Un-audited)

2.1 Contingent liabilities

Particulars	(In ₹)	
	As at March 31, 2015	As at March 31, 2014
	Amount	Amount
Uncalled liability on partly paid shares	-	-
Other commitments	-	-

2.2 Investments

All investments are performing investments. All investments of the scheme are in the name of the NPS Trust. All investments are traded investments.

2.3 Details of transactions with sponsor and its related parties

Nature of relationship	Name of the related party
Pension fund manager	HDFC Pension Management Company Limited
Sponsor company	HDFC Standard Life Insurance Company Limited
Associates and group companies	
Holding Company	HDFC Limited
Mr. Amitabh Chaudhry	Key Management Personnel
Ms. Vibha Padalkar	Key Management Personnel
Mr. Sumit Shukla	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended March 31, 2015

Nature of Transaction	(In ₹)	
	For the half year ended March 31, 2015	For the half year ended March 31, 2014
	Amount	Amount
Investment management fees	166	212

Balances with HDFC Pension Management Company Limited are as follows:

Nature of Transaction	(In ₹)	
	As at 31.03.2015	As at 31.03.2014
	Amount	Amount
Investment management fees payable	88	220

Aggregate investments made in the Associates and group companies as at March 31, 2015 are as follows:

Name of the Company	Asset type	As at March 31, 2015		As at March 31, 2014	
		Cost	Market Value	Cost	Market Value
		HDFC Ltd	Equity	312,408	357,870

Investment with other Group Companies

Nature of relationship	Name of the related party
Associates of Holding Company	HDFC Bank Limited

Aggregate investments made in the other group companies as at March 31, 2015 are as follows:

Name of the Company	Asset type	As at March 31, 2015		As at March 31, 2014	
		Cost	Market Value	Cost	Market Value
		HDFC Bank Ltd	Equity	323,800	347,718

2.4 Provision

There are no provisions for doubtful deposits, debts and outstanding and accrued income.

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

Aggregate value of purchase and sale with percentage to average assets as at March 31, 2015 is as follows :

Particular	(In ₹)	
	For the half year ended March 31, 2015	For the half year ended March 31, 2014
Average Net Asset Value	2,976,954	169,737
Purchase of Investment	9,124,103	2,520,593
% to average Net Assets Value	306.00%	1485.00%
Sale of Investment	5,703,267	2,057,017
% to average Net Assets Value	192.00%	1212.00%

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at March 31, 2015 is as follows :

Particular	(In ₹)	
	For the half year ended March 31, 2015	For the half year ended March 31, 2014
Average Net Asset Value	2,976,954	169,737
Purchase of Investment	3,515,303	450,294
% to average Net Assets Value	118.00%	265.00%
Sale of Investment	58,133	2,282
% to average Net Assets Value	2.00%	1.00%

*Liquid mutual fund investments are held for day to day cash management, hence excluded

2.6 Investments falling under each major industry group

The total value of investments falling under each major industry group (which constitutes not less than 5% of the total investments in the major classification of the financials) are disclosed as under:

Industry Classification	As at March 31, 2015		As at March 31, 2014	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Monetary intermediation of commercial banks, saving banks, postal savings bank and discount houses	1,243,121	23.06%	91,989	18.70%
Writing, modifying, testing of computer program to meet the needs of a particular client excluding web-page designing	845,828	15.69%	74,951	15.24%
Activities of specialized institutions granting credit for house purchases	357,869	6.64%	28,285	5.75%
Manufacture of allopathic pharmaceutical preparations	355,612	6.60%	25,380	5.16%
Manufacture of cigarettes, cigarette tobacco	319,659	5.93%	39,519	8.03%
Manufacture of refined petroleum products	237,062	4.40%	30,715	6.24%
Others	1,795,509	33.30%	165,426	33.63%
Mutual Funds	215,000	3.99%	44,547	9.06%
Net Current Assets	21,927	0.41%	(8,899)	-1.81%
Net Asset Value	5,391,587	100.00%	491,913	100.00%

Note :

- 1) Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.
- 2) Previous year's figures are regrouped basis the current year's industry exposure.

2.7 Prior Year Comparatives :

The Figures of the previous period have been regrouped / rearranged, wherever applicable, to confirm current year's presentation.

2.8 Note on status of litigation matters with PFRDA

In January 2014, a Request for Proposal ('RFP') was floated by the PFRDA seeking fresh bids for selection of pension fund managers afresh to manage the pension funds. In response to the RFP, HDFC Life ('the Sponsor') submitted its technical and commercial bid to be selected as a Sponsor. The technical bid made under RFP was opened in April 2014 and the bid submitted by the Sponsor was not accepted by the PFRDA on technical grounds of not having profitability for a period of 3 years at the time of submission of the bid. The Sponsor along with the Company, therefore, filed a Writ Petition before the Hon'ble High Court of Delhi, challenging the said rejection. The Hon'ble High Court of Delhi by its Order dated May 15, 2014 quashed and set aside the PFRDA's rejection of the Sponsor's bid and directed the PFRDA to evaluate the bid in accordance with the steps set out in the RFP. Pursuant thereto, while the PFRDA cleared the Sponsor's technical and commercial bid and the Sponsor even agreed to match the lowest commercial bid, the PFRDA declined to grant the Sponsor a Letter of Appointment.

The Sponsor along with the Company, therefore, filed a Writ Petition before the Hon'ble High Court of Delhi, which, vide its Order dated December 18, 2014 set aside the rejection of the Sponsor's bid and directed the PFRDA to grant HDFC Life a Letter of Appointment to act as a Sponsor. Subsequently, the PFRDA has filed a Special Leave Petition before the Hon'ble Supreme Court of India challenging the above said Order dated December 18, 2014. The Hon'ble Supreme Court has, by its Order dated March 9, 2015, refused to grant the PFRDA any ad-interim relief and has also directed the Sponsor to file its counter affidavit to the Petition. The matter is presently pending hearing. On March 27, 2015, complying with the High Court order, the PFRDA has issued a Letter of Appointment in favour of the Sponsor, stating inter alia that such appointment is subject to the outcome of the above proceedings filed before the Hon'ble Supreme Court. Further, as per the opinion obtained by the Company in this regard from a legal expert, the Company stands a fairly good chance of succeeding in the matter.

It may be noted that this would not have any impact on the subscriber as the assets and funds of the subscribers of National Pension System are held by NPS Trust, while HDFC Pension acts as a Fund Manager only.

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

2.9 UN-AUDITED HALF YEARLY PORTFOLIO STATEMENT FOR THE PERIOD ENDED MARCH 31, 2015

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
<u>Equity Instruments</u>			
Shares			
1.Infosys Ltd	388,210	7.20%	N.A.
2.Housing Devt Finance Corpn Ltd.	357,869	6.64%	N.A.
3.HDFC Bank Ltd.	347,718	6.45%	N.A.
4.ICICI Bank Ltd.	321,810	5.97%	N.A.
5.ITC Ltd	319,659	5.93%	N.A.
6.Larsen & Toubro Ltd	247,630	4.59%	N.A.
7.Reliance Industries Ltd.	237,062	4.40%	N.A.
8.Tata Consultancy Services Ltd	227,302	4.22%	N.A.
9.Tata Motors Ltd	176,064	3.27%	N.A.
10.Axis Bank Ltd	166,940	3.10%	N.A.
11.State Bank of India	147,145	2.73%	N.A.
12.Sun Pharmaceuticals Industries Ltd	133,107	2.47%	N.A.
13.Hindustan Unilever Ltd	110,067	2.04%	N.A.
14.Kotak Mahindra Bank Ltd	98,494	1.83%	N.A.
15.Oil & Natural Gas Corporation Ltd	96,807	1.80%	N.A.
16.Mahindra & Mahindra Ltd	95,024	1.76%	N.A.
17.HCL Technologies Ltd.	93,138	1.73%	N.A.
18.Bharati Airtel Ltd	92,819	1.72%	N.A.
19.Maruti Suzuki India Ltd	85,039	1.58%	N.A.
20.Lupin Ltd.	82,344	1.53%	N.A.
21.Coal India Ltd.	82,015	1.52%	N.A.
22.Dr Reddys Laboratories Ltd.	76,753	1.42%	N.A.
23.Wipro Ltd	71,060	1.32%	N.A.
24.IndusInd Bank Ltd.	67,336	1.25%	N.A.
25.Tech Mahindra Ltd	66,119	1.23%	N.A.
26.Asian Paints (India) Ltd.	64,093	1.19%	N.A.
27.Cipla Ltd	63,408	1.18%	N.A.
28.Power Grid Corporation of India Ltd.	55,921	1.04%	N.A.
29.Hero Motocorp Ltd.	55,436	1.03%	N.A.
30.National Thermal Power Corporation Ltd.	52,719	0.98%	N.A.
31.UltraTech Cement Ltd.	51,802	0.96%	N.A.
32.Bajaj Auto Ltd.	48,398	0.90%	N.A.
33.Yes Bank Ltd	47,314	0.88%	N.A.
34.Grasim Industries Ltd.	39,846	0.74%	N.A.
35.Infrastructure Development Finance Company Ltd.	39,066	0.72%	N.A.
36.Tata Steel Ltd	37,693	0.70%	N.A.
37.Bharat Heavy Electricals Ltd	37,185	0.69%	N.A.
38.Sesa Goa Ltd.	36,005	0.67%	N.A.
39.Bharat Petroleum Corporation Ltd.	35,675	0.66%	N.A.
40.Ambuja Cements Ltd.	34,976	0.65%	N.A.
41.Idea Cellular Ltd	34,592	0.64%	N.A.
42.Zee Entertainment Enterprises Ltd.	32,466	0.60%	N.A.
43.Gas Authority of India Ltd.	31,412	0.58%	N.A.
44.Hindalco Industries Ltd.	29,799	0.55%	N.A.
45.Bank of Baroda	27,305	0.51%	N.A.
46.Associated Cement Co Ltd	25,004	0.46%	N.A.
47.Tata Power Co. Ltd.	24,518	0.45%	N.A.
48.Cairn India Ltd.	21,385	0.40%	N.A.
49.Punjab National Bank.	19,061	0.35%	N.A.
50.National Mineral Development Corporation Ltd.	18,154	0.34%	N.A.
Equity Instruments Total	5,150,764	95.53%	
<u>Debt Instruments</u>			
PSU/PFI Bonds			
1.8.49% NTPC NCD Mat 25-Mar-2025	3,896	0.07%	AAA
Debt Instruments Total	3,896	0.07%	
<u>Money Market Instruments</u>			
Liquid Mutual Funds			
1.ICICI Prudential Liquid - Direct Plan - Growth.	215,000	3.99%	AAA
Money Market Instruments Total	215,000	3.99%	
Cash/Cash Equivalent & Net Current Assets	21,927	0.41%	
Grand Total	5,391,587	100.00%	

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

2.9 UN-AUDITED HALF YEARLY PORTFOLIO STATEMENT FOR THE PERIOD ENDED MARCH 31, 2015

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Average Maturity of Portfolio (in yrs) #	9.98		
Modified Duration (in yrs) #	6.22		
Yield to Maturity (%) (annualised) (at market price) #	8.25%		
<u>Credit Rating Exposure</u>			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	3,896	0.07%	
A1+ / equivalent (Certificate of Deposits / Commercial Papers)	-	-	
AA+ / equivalent	-	-	
AA / equivalent	-	-	
AA- / equivalent	-	-	
A+ / equivalent	-	-	
A / equivalent	-	-	
A- / equivalent	-	-	
BBB+ / equivalent	-	-	
BBB / equivalent	-	-	
BBB- / equivalent	-	-	
Lower (Below Investment Grade) (out of above Net NPA)	-	-	
TOTAL	3,896	0.07%	
Bank FD	-	-	
Equity	5,150,764	95.60%	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	215,000	3.99%	
Cash / cash equivalent net current assets	21,927	0.41%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	5,387,691	100.00%	
Units Outstanding	406,891		
NAV@	13.2411		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at September 30,2014		12.3765	
d. NAV at March 31,2015		13.2411	
e. Total outstanding exposure in derivative instruments at March 31, 2015		-	
f. Total 'Infrastructure investments' at March 31, 2015		3,896	
# Calculated on debt portfolio			

Note :

The Company has been holding the Equity Shares of NTPC Limited ("NTPC") in Scheme E - Tier II. Pursuant to a Scheme of Arrangement, NTPC has issued Secured, Non-Cumulative, Non-Convertible, Redeemable, Taxable Fully Paid-up debentures, having face value of Rs 12.50 each and a tenor of 10 years, as bonus to its shareholders in the ratio of 1:1. In view of the same, currently, the bonus debentures are held in Scheme E-Tier- II. The company will liquidate the said debentures in the market as when the opportunity arises or will be transferred to Scheme C post clarification from PFRDA.

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER II

3 KEY STATISTICS FOR THE HALF YEAR ENDED MARCH 31, 2015 (UN - AUDITED)

Sr No	Particulars	For the half year ended March 31, 2015	For the half year ended March 31, 2014
1	NAV per unit (₹) I Open High Low End @	12.3765 13.9857 12.1038 13.2506	10.1651 10.7929 10.1680 10.7929
2	Closing Assets Under Management (₹ in Lakhs) End Average daily net assets (AAuM) II	53.92 29.77	4.92 1.70
3	Gross income as % of AAuM III	3.97%	9.11%
4	Expense ratio a Total expense as % of AAuM (scheme wise) IV b Management fee as % of AAuM (scheme wise) V	0.01% 0.01%	0.14% 0.25%
5	Net income as % of AAuM VI	3.81%	8.94%
6	Portfolio turnover ratio VII	1.95%	1.34%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%) a Last one year VIII Benchmark VIII b Since inception VIII Benchmark VIII c Compound annualised yield (%) IX Last 1 year Last 3 years Last 5 years Since launch of the scheme Launch Date	22.77% 28.33% 32.51% 50.74% 22.77% N.A. N.A. 18.44%	N.A. N.A. 7.93% 17.47% N.A. N.A. N.A. 12.36%
		August 01, 2013	
I	NAV = (Market value of investment held by scheme + value of current assets - value of current liability and provisions, if any) / (no. of units at the valuation date (before creation/ redemption of units))		
II	AAuM = Average daily net assets		
III	Gross income = Income includes Interest, Dividend, Realised/Unrealised Gain		
IV	Total expenses = Expenses include management fees, custody fees, trustee bank charges but excludes Unrealised /Realised loss		
V	Management fee as % of AAuM is annualised		
V	Net income = Total income less Total expenses and losses		
V	Portfolio turnover = Lower of sales or purchase divided by the average AUM for the period. Investments in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management		
V	As per fund objective of Tier II Scheme E, the fund only invests in equity securities through Nifty 50 Index basket. There is a minimum threshold amount for investment in Nifty 50 basket and till the time investable amount reaches this threshold, it is invested temporarily in liquid and money market securities. Due to small size of the fund this has affected the fund performance. Hence, Fund performance of the scheme for the period is not comparable with the benchmark.		
IX	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ -1 (where n=365/no. of days) @ The declared NAV of March 28, 2014 is considered for the previous year, as NAV for March 31, 2014 was not declared on account of holiday.		